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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 1

Section 1

January 3, 1933.

**AGRICULTURAL BILL** The press today says: "Establishment of a minimum price on four great agricultural commodities was the farm-aid plan virtually completed yesterday for consideration in the House during the week. It would guarantee the farmer this price by levying, if necessary, and distributing to him processing fees that would mount in the aggregate to hundreds of millions of dollars. But if the processors should voluntarily establish the minimum price levels, they would have no fee to pay. As agreed upon by the agriculture committee yesterday, the bill is based on the domestic allotment principle and would include wheat, cotton, tobacco and hogs. Efforts to include dairy products and rice failed, and a motion to eliminate hogs was rejected, 12 to 10. Chairman Jones announced the committee will vote finally on the bill today with the intention of reporting it to the House this afternoon and making its consideration in order tomorrow...."

**IOWA TAX SALES** A Des Moines dispatch today states that passive resistance **BLOCKED** yesterday blocked efforts of three county treasurers in Iowa to sell property on which taxes are overdue. The report says: "Crowds attended the tax sales, but there were no bids. With debt-burdened landowners unable to obtain funds to pay taxes, there was an unorganized but well-developed movement to prevent county officials from raising revenue by selling land, both rural and city, on which payments are delinquent...."

**COSACH LIQUIDATION** A Santiago, Chile, dispatch today reports: "President **ORDERED** Arturo Allessandri yesterday signed a decree ordering the liquidation of the Cosach nitrate combine, which controlled the world's largest nitrate plant. The decree said that the liquidating committee would be composed of one representative of Cosach, one from the government, and one from the supreme court... Interested circles believe that the liquidation will require a long period, probably more than two years; thus, the present situation is maintained with the only difference that full powers governing operations are centered in the liquidating committee...."

**IRISH DAIL** A Dublin dispatch today reports: "Eamon de Valera, **DISSOLVED** President of the Irish Free State Council, announced this morning that the Dail Eireann had been dissolved, and that a general election would be held immediately. Nominations will be filed January 11 and the elections will be held January 24. The new Dail will reassemble February 8. President de Valera's dramatic move is taken as an answer to the Labor party group, which endeavored to force the government to withdraw its threatened wage cuts...."

**NEW ZEALAND TO** A Wellington, N.Z., dispatch says the Government has de- **PAY DEBTS** cided to reassume its liability in connection with war debt payments to Great Britain, which were suspended last year by the Hoover moratorium on intergovernmental debts.



## Section 2

Bond  
Market

The year-end condition of the bond market is described by the American Bankers Association Journal as follows: "The bond market closed the year on a more hopeful note than the one it sounded as the year began. There were several developments in 1932 that were highly auspicious. In the first place, the background for a better market has been erected by governmental and Federal Reserve effort. As last year began, the indebtedness of the banks was large, they were encountering runs, hoarding was substantial and non-Government bond assets could be turned into cash only in a market disorganized in the extreme. Foreign balances were leaving the country in the form of gold as fast as cargo space was available. To combat this situation two important measures were instituted, one by the Government and the other by the Federal Reserve. Congress, for its part, established the Reconstruction Finance Corporation in order that the abnormal strain being imposed on the banking system might be relieved. Loans were made to banks so that a frightened public's demand for currency could be accommodated, and in this way the dumping of bonds by the banks was made unnecessary. Employing rather than hoarding its reserves, the Federal Reserve bought Government securities in amounts never before equaled by any central bank in order that banks might be able to repay their borrowings and in order that loans from even Reconstruction Finance might be less necessary. Then, finally, certain leading banks themselves lent a valuable hand, in early June, by forming the American Securities Investing Corporation, which supplied bids for more than \$20,000,000 market value of bonds, thereby contributing toward the stabilization of the market. The breaking up of the currency hoarding movement, the large inflow of gold, the enormous over-supply of bank reserves, and the existence of Reconstruction Finance constitute the principal reasons for the belief that the bond market enters 1933 in a sounder condition than when dealings began in 1932."

Economic  
Associa-  
tion  
Meeting

Bernhard Ostrolenk, reporting the meeting of the American Economic Association at Cincinnati for the New York Times of December 30, says: "In order to bring lasting relief from depression conditions in this country international cooperation is necessary, James Harvey Rogers, Sterling Professor of Political Economy at Yale, asserted. Strongly urging such cooperation (1) in monetary policies for raising the price level and (2) in commercial policies for a gradual reduction of trade barriers throughout the world, Professor Rogers advocated an immediate 'gentleman's agreement' with Great Britain to move together toward these constructive ends. 'Such an agreement, however loose, would certainly be taken most seriously by the British,' he said, 'and each constructive move on their part would in turn bring pressure upon our Government and upon our Federal Reserve authorities to play the game by moving in similar directions. Moreover, at the forthcoming World Economic Conference the agreement might be ratified and made more formal with the participation



of as many other countries as were willing to cooperate. Certainly the British Empire, most of the northern countries, Germany, Italy and Switzerland could be counted upon to join such a movement.' That the world should continue in its present distress without utilizing the literally giant power of money to bring general relief was a sad commentary upon human intelligence, Professor Rogers asserted. He said that international cooperation provided the fulcrum upon which the lever, money, might be applied to world prices...."

#### Germ Im- munity

An Ann Arbor, Mich., dispatch to the press of December 30 says: "Further gains in the effort to obtain immunity from disease germs was reported to the Society of American Bacteriologists December 30 by N. W. Larkum and Ruth Corpron of the Michigan Department of Health Laboratories. For some time it has been known that if the liquid medium in which certain organisms have been growing is filtered to free it from these organisms and then receives an immediate feeding of the same kind of germs, a time arrived when a mysterious agent in the filtrate turns on the germs and apparently kills them or at least causes them to undergo profound changes rendering them invisible. Mass doses of this 'germicidal' filtrate have been fed to rabbits. The deadly streptococcus, an arch enemy of mankind, had been growing in the medium. After repeated injections of the 'bacteriophage' the rabbits were allowed a long rest. Then doses of the deadly streptococcus were injected and, the experimenters stated, that 'the mortality as compared with the controls shows a marked degree of protection'...."

"On the other hand, certain organisms, normally considered so able to resist unfavorable growth conditions, were shown to have hibernated for two years in peas kept at a low icebox temperature of 15 degrees above zero. J. A. Berry of the Federal Department of Agriculture reported the peas were held from one to twenty-six months at the low temperature and then allowed to stand at room temperature for a week. Spoilage was reported. The observations were made to determine the efficiency of various methods of packing...."

#### Science Ad- vancement Meeting

An Atlantic City dispatch December 30 reports: "A universe that was not created at a finite time in the past and is not doomed to stagnate and die in the future, and now races of beings to spring from man as the common ancestor, who will stand in the same relation to him as man stands to his ancestral ape, were pictured at Atlantic City, December 29, by outstanding authorities in their fields before the annual winter meeting of the American Association for the Advancement of Science. The new universe, a mathematical model which combines the laws of thermodynamics with the theory of relativity, was 'constructed' by Professor Richard C. Tolman of the California Institute of Technology, who delivered the tenth annual Josiah Willard Gibbs lecture. In this thermodynamic-relativistic universe gravitation plays a new cosmic role as the force which keeps the universe from running itself down to an ultimate inevitable standstill, as is believed by Sir Arthur Eddington and Sir James Jeans,

modern British Jeremiahs, who prophesy the ultimate doom of the cosmos....

"Another section heard Professor Robert Chambers of New York University report the first successful growing of a complete tubule of an animal kidney in a test tube, and the observation of some hitherto unknown functions of that important organ, which may lead to important medical knowledge...."

#### Technocracy

The New Republic for December 28 says: "A new word is being passed about by those eager for fresh and shining intellectual currency in this dirty weather: Technocracy. It is applied, first, to a small group of engineers and architects who adhere to a set of tenets and are busy working them out. Second, it is used to describe the philosophy which this group promulgates. Third, it is supposed to denote a state of society into which we are being precipitated. Aristocracy--rule by the best; autocracy--rule by a self-appointed group; democracy--rule by the people; technocracy--rule by the technologist, or by technology, one is not quite sure which. It has a likely sound. First, as to the group. Its center is Howard Scott, an engineer who combines vehemence, ingenuity and assurance. He began to develop his ideas and collect adherents back in 1921....The name of that group was 'The Technical Alliance.' It was supposed to be collecting information from the strategic places in every industry against the day when, as Thorstein Veblen predicted, the rule of the business man would welter in the general confusion and the engineer would be called upon to run things in alliance with labor... Next, what of the philosophy which this group represents? It is described as being something totally new. It abolishes politics and economics....The ideas which receive principal emphasis under Technocracy sound as new as their advertising claims them to be, to one not well versed in the social sciences. No doubt the Technocrats really believe them to be new. Nevertheless the newness consists chiefly in the package and the label. The Technocrats are, in this respect, like the proprietary-medicine manufacturers who take certain well known pharmaceutical substances and sell them under a new name invented by an advertising agency. There can be no objection to that, provided the remedy will perform as advertised and does not cost more than it ought..."

#### Trade Relations

An editorial in The Wall Street Journal for December 22 says: "That the United States can retire from world trade, become a self-contained nation and prosper accordingly was denied recently by Glenn Frank, president of the University of Wisconsin. Dr. Frank analyzed the assertion that because only 10 per cent of our national production has been exported our foreign trade is but a negligible factor in our economic life. He pointed out that since the figure of 10 per cent includes the basic raw materials of this country together with the production of our most important industries, in fractions varying from 25 per cent to 50 per cent of the product, cessation of exports by this country would cause a contraction in our national production with disastrous consequences. Of course this analysis is not only true but fundamental in its implications...."



Wholesale . . . The Bureau of Labor Statistics of the U. S. Department  
Prices of Labor announces that its index number of wholesale prices for  
the week ending December 24 stands at 62.5 as compared with 63.0  
for the week ending December 17 showing a decrease of approxi-  
mately  $\frac{3}{4}$  of 1 per cent. These index numbers are derived from  
price quotations of 784 commodities, weighted according to the  
importance of each commodity and based on average prices for the  
year 1926 as 100.0.

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 3.--Livestock: Slaughter cattle, calves and vealers;  
steers (1100-1500 lbs.) good and choice \$4.50 to \$7.25; cows,  
good and choice, \$2.75 to \$4.25; heifers (550-850 lbs.) good and  
choice \$4.75 to \$6.75; vealers, good and choice, \$4.50 to \$6.50;  
feeder and stocker cattle, steers, good and choice, \$4 to \$5.50;  
hogs, 160-200 lbs. good and choice \$2.90 to \$3.15; 200-250 lbs.  
good and choice, \$2.75 to \$3.05; 250-350 lbs. good and choice  
\$2.45 to \$2.85; slaughter pigs, 100-130 lbs. good and choice,  
\$2.50 to \$3; slaughter sheep and lambs, lambs, good and choice  
(90 lbs. down) \$5.25 to \$6.10; feeding lambs (range stock) medium  
to choice \$4.50 to \$5.50.

Grain: No.1 dark northern spring\* Minneapolis 44  $\frac{7}{8}$   
to 45  $\frac{7}{8}\phi$ ; No.1 northern spring\* Minneapolis 43  $\frac{7}{8}$  to 44  $\frac{7}{8}\phi$ ;  
No.1 hard winter\* Kansas City 39  $\frac{3}{4}$  to 40  $\frac{1}{4}\phi$ ; No.2 hard winter\*  
Kansas City 39  $\frac{1}{4}$  to 40 $\phi$ ; St. Louis 45  $\frac{3}{4}\phi$  (Nom.); No.1 S.R.  
Winter St. Louis 46  $\frac{3}{4}\phi$  (Nom.); No.2 S.R. Winter Kansas City  
43  $\frac{1}{2}\phi$ ; St. Louis 45  $\frac{3}{4}\phi$ ; No.1 W. Wh. Portland 38 $\phi$ ; No.2 Amer-  
ican Dur.\* Minneapolis 35  $\frac{3}{4}$  to 39  $\frac{3}{4}\phi$ ; No.1 Durum (Duluth)  
39  $\frac{3}{4}$  to 42  $\frac{3}{4}\phi$ ; No.2 rye Minneapolis 28  $\frac{5}{8}$  to 31  $\frac{5}{8}\phi$ ; No.2  
mixed corn Kansas City 21  $\frac{1}{4}$  to 21  $\frac{3}{4}\phi$ ; Chicago 24 $\phi$  (old);  
St. Louis 22  $\frac{1}{2}$  to 23 $\phi$  (Nom.); No.2 white corn Kansas City  
21  $\frac{1}{2}$  to 22 $\phi$ ; St. Louis 23  $\frac{3}{4}\phi$  (Nom.); No.2 yellow corn Kansas  
City 21  $\frac{3}{4}$  to 22  $\frac{1}{4}\phi$ ; St. Louis 23  $\frac{3}{4}$  to 24 $\phi$  (Nom.); No.3  
yellow corn Minneapolis 20 to 20  $\frac{1}{2}\phi$ ; Kansas City 21 to 21  $\frac{1}{2}\phi$ ;  
Chicago 23 to 23  $\frac{1}{4}\phi$  (New); St. Louis 22  $\frac{1}{2}$  to 23  $\frac{1}{2}\phi$ ; No.2  
white oats Chicago 16  $\frac{1}{4}\phi$ ; St. Louis 16  $\frac{1}{2}$  to 16  $\frac{3}{4}\phi$ ; No.3  
white oats Minneapolis 13  $\frac{3}{8}$  to 13  $\frac{7}{8}\phi$ ; Kansas City 15 to  
16  $\frac{1}{2}\phi$ ; Chicago 15  $\frac{1}{2}$  to 16 $\phi$ ; St. Louis 16  $\frac{1}{4}\phi$ ; Special No.2  
barley Minneapolis 29 to 31 $\phi$ ; Chicago 34 to 37 $\phi$ ; No.1 flaxseed  
Minneapolis \$1.11  $\frac{1}{4}$  to \$1.15  $\frac{1}{4}$ .

Maine sacked Green Mountain potatoes brought 95 $\phi$ -\$1.25  
per 100 pounds in eastern cities; 55 $\phi$  f.o.b. Presque Isle. Wis-  
consin sacked Round Whites 75 $\phi$ -80 $\phi$  carlot sales in Chicago. New  
York and Midwestern yellow varieties of onions closed at 35 $\phi$ -60 $\phi$

\*Prices basis ordinary protein.

per 50-pound sack in consuming centers; 33¢-38¢ f.o.b. Rochester and 25¢-30¢ f.o.b. West Michigan. New York Danish type cabbage \$10-\$15 bulk per ton in terminal markets; \$6-\$6.50 f.o.b. Rochester. Northern stock \$15 in Chicago; \$6.50-\$7 f.o.b. Racine. Texas Round type \$1.50 per western lettuce crate in Chicago; 55¢-65¢ f.o.b. Lower Valley points. East Shore Maryland and Delaware Jersey type sweet potatoes 60¢-85¢ per bushel tubs in eastern cities. Tennessee Nancy Halls 60¢-70¢ in Chicago. New York McIntosh apples, No.1, 2 $\frac{1}{2}$  inches up, \$1-\$1.25 per bushel tub in New York City; Rhode Island Greenings 65¢-80¢ f.o.b. Rochester.

Average price of Middling spot cotton in the ten designated markets declined 10 points to 5.83¢ per lb. On December 30 one year ago the price stood at 6.02¢. January future contracts on the New York Cotton Exchange declined 5 points to 5.92¢, and on the New Orleans Cotton Exchange declined 4 points to 5.87¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 23 $\frac{1}{4}$ ¢; 91 score, 23¢; 90 score, 22 $\frac{3}{4}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 $\frac{1}{2}$  to 13 $\frac{1}{2}$ ¢; Single Daisies, 13 $\frac{1}{4}$  to 13 $\frac{3}{4}$ ¢; Young Americas, 13 $\frac{1}{4}$  to 13 $\frac{3}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 34 to 35¢; Standards, 33 $\frac{1}{2}$ ¢; Rehandled Receipts, 32 $\frac{1}{2}$  to 33¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVIII, No. 2

Section 1

January 4, 1933.

**HOUSE APPROVES ALLOTMENT PLAN** The House committee on agriculture yesterday voted 14 to 8 and to press for immediate passage under a special rule limiting debate to eight hours, according to the press today. The report says: "As approved by the committee, the measure undertakes to restore the farm price of wheat, cotton, tobacco and hogs to their prewar exchange values, by means of a general processing tax to be collected by the Treasury Department at the first stage of manufacture. This tax fund would be distributed, through the Department of Agriculture, among farmers who voluntarily accept drastic acreage reduction quotas, as determined in advance by the Secretary of Agriculture...."

**FEDERAL PLANNING COMMISSION** A national planning commission, to be selected by President-elect Roosevelt and appointed by President Hoover, which would have wide powers for investigation of economic troubles and making recommendations, is suggested in a joint resolution introduced in the Senate yesterday by Senators Tydings and George, according to the press today.

**COTTON TO RED CROSS** The Senate yesterday passed the House bill which would give 350,000 bales of Farm Board cotton to the Red Cross, according to the press today.

**MORE TAX SALES DEFERRED** A Des Moines dispatch today says: "Lack of bidding and passive resistance in many counties yesterday forced almost a general postponement of scheduled tax sales. Following success of farmers and recruits they had obtained among city property owners in bringing about continuation of three county sales Monday, the idea was seized upon in a dozen other counties."

**BARTER IN OKLAHOMA** A Shawnee, Okla., dispatch today says: "Students may pay their tuition at Oklahoma Baptist University with pigs, chickens, hay, corn, cows, wheat or farm implements. The board of trustees voted yesterday to set in motion the program of Dr. Hale V. Davis, president, for establishment of a forty-acre farm on university land near the campus to give students employment. A canning plant or garment factory also will be constructed. A milling company has agreed to pay 10 cents a bushel above the market price for the university's wheat."

**BRAZILIAN WHEAT** A Sao Paulo dispatch today reports that the Sao Paulo state government has initiated a "grow more wheat" campaign. The state is Brazil's biggest importer of wheat and flour. Twenty tons of Indian wheat seed will be distributed among farmers.



## Section 2

## Aluminum

The Medical Officer (London) for December 17 says: "A research report written by Dr. J. H. Burn and published by the British Non-ferrous Metals Research Association is a defense of aluminum cooking vessels against the charge of damaging the health of those who use them. The subject is one of the utmost importance, belonging to a group of problems affecting the public health, for which solutions are urgently needed but which are most difficult to obtain. Aluminum is not a poison; the amount of it which can be taken up by foods cooked in aluminum vessels is minute; and it is in a form of salts which must be ingested with food in many ways. Aluminum is present in large quantities in all clays, so all 'dirt' contains it in appreciable quantities and the commercial metal is practically free from other contaminating metals that might be deleterious. On the surface, there is no case against aluminum cooking vessels and Dr. Burn, after a critical examination of the evidence furnished by researches into the toxicity of aluminum, concludes that there is no case against the use of aluminum vessels and that aluminum and its salts are non-toxic in any quantity in which they can be taken. Aluminum, like the other earth metals, is absorbed from the intestines in minute quantities only, and what little is absorbed is probably no more than is necessary to maintain an aluminum content in the body fluids which is exceedingly low. Dr. Burn proves his point perfectly satisfactorily, but it is not the whole story. We do think that he effectively exonerates aluminum from any toxic action within the body; we are not so sure that he disposes of any harm that aluminum might do outside the body (i.e., in the alimentary tube) if ingested over long periods of time.

"In the British Medical Journal of October 29, 1932, Dr. Eric Pritchard rejects some of the conclusions of Dr. Burn and though the arguments he uses for believing in the danger of chronic poisoning from aluminum vessels are not wholly convincing, they are to be respected, especially his statement that 'symptoms do not usually arise in the case of adults until after prolonged exposure to its effects, and only then in the case of certain susceptible individuals.' It is obvious that such a possibility can not be proved, or disproved, by laboratory experiments...."

## Business

The Business Week for January 4 says: "The most striking and significant aspect of the situation as we say good-riddance to 1932 is the encouraging contrast between this year-end and last in both the business and the financial pictures....A year ago the country, and in fact the whole world, was wrapped in the tense atmosphere of an impending financial crisis, which had developed out of the credit collapse in Central Europe and the suspension of gold payments by Britain and which came to its climax in the spring of 1932, with an epidemic of bank closings, currency hoarding, drastic credit liquidation, and a rapid outflow of gold....Although the outlook for business improvement and revival of enterprise and new investment is still partly obscured by political uncertainties as the new year begins, it is plain

that the financial tension of a year ago has disappeared and the panic phase of the depression has passed....Industrial activity and trade are undergoing the usual year-end recession, and commodity prices are showing some seasonal weakness, but security markets, especially for high grade investment issues, continue surprisingly stable in face of many unfavorable factors affecting corporation earnings prospects....While credit contraction has not been completely checked, increasingly abundant bank reserves, diminishing currency hoarding, and rapid return flow of gold are building a basis for powerful expansion once the spirit of enterprise revives....Many fundamental problems of business readjustment remain to be met, but real progress toward recovery has been made in the past year and the prospect of further improvement in the coming year is much more hopeful than it was a year ago."

Farmers' Interest Cut      A Columbus, Ohio, dispatch December 28 says: "The Regional Agricultural Credit Corporation announced December 27 that interest rates on agricultural and livestock production loans from January 1 to June 30, 1933, will be reduced. The Regional Corporation covers the States of Ohio, Indiana, Kentucky and Tennessee. Harry G. Beale, executive vice president of the corporation, said that during the period the rate of interest charged to farmers and stockmen would be reduced from 7 per cent per annum, including the cost of inspection and appraisal, to  $5\frac{1}{2}$  per cent exclusive of inspection and appraisal costs...."

Friday on Condi- tions      David Friday, writing on "1933" in The Atlantic Monthly for January, says: "The battle against business depression will be waged, during 1933, in the field of public finance. For three years now we have been asking ourselves whether the turn of the depression was at hand. The end of each year has found us in the midst of new difficulties and uncertainties. In 1930 we were overwhelmed by an avalanche of bank failures. During the last two months of the year, the number of suspensions and the amount of deposits involved were entirely unprecedented. At the close of 1931 we were in the midst of the fight to maintain the gold standard in America. We had won the first battle, and hoped that the contest was over; but it proved only a lull. In the late spring of 1932 the gold standard had to be defended all over again....Fortunately, those general economic readjustments which are the necessary conditions of business revival have, for the most part, already been made. These are, first of all, a downward revision of prices. First raw materials fall; then finished products at wholesale; and finally, commodities at retail. All this has been accomplished with a vengeance. Raw materials as a group have fallen by almost one half. Those which enjoyed the protection of price-maintenance pools--such as copper, rubber, sugar, silk, and others--are down even more. In the fields of finished products, at wholesale and at retail, commodities are cheap. Wages have been reduced; and overhead expenses have been curtailed in a manner that would have been considered utterly impossible even two years ago. The efficiency of both labor and



management has been increased. As a result of these adjustments, the cost of production per unit of output has been cut so greatly that producers can make a profit even at low prices, if only they can increase their volume. If confidence is restored in public credit, the volume of output should increase by 30 per cent during the year. This would still leave it a good distance below the peak of 1929,--or even below normal,--but, with the reduced cost and the improvement in management, it would give respectable profits to a large number of businesses which are not able to earn anything today. One of the unqualifiedly favorable elements in the situation at the beginning of 1933 is a marked change in the gold situation...."

Mail Order  
Prices

A Chicago dispatch today says: "The midwinter 'flyer' catalogue of Sears, Roebuck & Co., placed in the mail yesterday, reflects slackening in the pace of price declines for manufactured goods and in some instances indicates that prices will have to be raised after the end of February, when the catalogue expires. The average reduction for all lines of merchandise shown in the book is 9.2 per cent under the fall and winter general catalogue. The company states that this is the smallest average sales catalogue decrease under a preceding general catalogue shown in about three years...."

Murphy on  
Agriculture

Frederick E. Murphy, publisher of the Minneapolis Tribune and practical farmer, writes on "Agriculture: The Key to Recovery" in Review of Reviews and World's Work for January. Mr. Murphy lists seven major steps which, he believes, would help place American agriculture on a sound production and financial basis, thereby providing a powerful stimulus to purchasing power throughout the United States. As a first step, Mr. Murphy urges the Government "to get behind a determined program to reduce acreage." Excessive acreage, Mr. Murphy points out, is responsible for a great deal of present overproduction and consequent ruinous prices to farmers for their products. Key points in this proposal involve the abolition of rentals of government-owned lands for grazing purposes, as well as to all reclamation and irrigation projects; that, as some propose, the government buy lands and take them out of cultivation; or, as others suggest, that the Government in some way reward producers for letting some of their land lie idle, and the establishment of some sort of special consumer's tax "on the domestically consumed part of our so-called surplus crops" to aid agriculture. Mr. Murphy's second proposal is to "declare an excise tax of not less than 5 cents on imported oils and fats." This, he says, will help eliminate destructive foreign competition to domestic dairy and livestock farmers. Authorization of the Tariff Commission "to act when depreciated currency makes it possible for foreign competitors to invalidate the clear intent of our tariff provisions," is Mr. Murphy's third proposal and the fourth is "to launch a program to reduce interest and to refinance and adjust farm mortgages." Reduction of farm taxes, which he terms "a hangover from another era" and "a sheer anachronism," constitutes the fifth proposal in Mr. Murphy's program. Sixthly,



Mr. Murphy proposes that war debts be revised and settled as soon as possible, with the President authorized to grant various concessions in their payments in return for trade concessions from debtor nations. In his final proposal, Mr. Murphy asks that industry be interested "in devoting part of its research expenditures to the problem of converting some of our excess acreage into a source of industrial raw materials." Instead of devoting millions of acres to cotton, corn, wheat, oats and other surplus commodities as at present, Mr. Murphy declares, these acres should be used in the production of hemp, flax, gums, resins, animal fats and oils, and other raw materials which can not be produced or are produced in insufficient quantities domestically, and therefore have to be imported now from abroad.

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 3.--Grain: No.1 dark northern spring\* Minneapolis 44 3/8 to 45 3/8¢; No.1 northern spring\* Minneapolis 43 3/8 to 44 3/8¢; No.1 hard winter\* Kansas City 40 1/2 to 41¢; No.2 hard winter\* Kansas City 40 to 40 1/2¢; St. Louis 46¢ (Nom.); No.1 S.R. Winter St. Louis 47 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 43 3/4¢; St. Louis 46 3/4¢; No.1 W. Wh. Portland 37 1/2¢; No.2 Am. Dur.\* 35 5/8 to 39 5/8¢; No.1 Durum (Duluth) 39 5/8 to 42 5/8¢; No.2 rye Minneapolis 28 3/8 to 31 3/8¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 22 to 22 1/2¢; Chicago 23 3/4¢ (old); St. Louis 22 1/4¢ (Nom.); No.2 white corn Kansas City 22 1/4 to 22 3/4¢; St. Louis 23 1/2 to 24¢ (Nom.); No.2 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 22 1/2 to 23¢; Chicago 24 1/2 to 25¢ (Old); St. Louis 24 to 24 1/4¢ (Nom.); No.3 yellow corn Minneapolis 19 1/2 to 20¢; Kansas City 21 3/4 to 22 1/2¢; Chicago 23 to 23 3/4¢ (new); St. Louis 22 1/2 to 23 1/4¢; No.2 white oats Minneapolis 14 to 14 1/2¢; Kansas City 17 1/2 to 18 1/2¢ (Nom.); Chicago 16 to 16 1/4¢; St. Louis 16 1/2¢; No.3 white oats Minneapolis 13 1/4 to 13 3/4¢; Kansas City 16 1/2¢; Chicago 15¢; St. Louis 16¢; Special No.2 barley Minneapolis 28 to 30¢; No.1 flaxseed Minneapolis \$1.10 1/2 to \$1.13 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.25 to \$6.75; cows, good \$3 to \$4; heifers (550-750 lbs.) good and choice \$4.25 to \$6.25; vealers, good and choice \$4 to \$6; feeder and stocker cattle, steers, good and choice \$4 to \$5.25; hogs, 160-200 lbs. good and choice \$3 to \$3.20; 200-250 lbs. good and choice \$2.90 to \$3.20; 250-350 lbs. good and choice \$2.60 to \$2.90; slaughter pigs, 100-130 lbs., good and choice \$2.75 to \$3.15; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.65 to \$6.10.

\*Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score, 23¢; 91 score, 22½¢; 90 score, 22½¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 12½ to 13½¢; Single Daisies, 13¼ to 13¾¢; Young Americas, 13¼ to 13¾¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 33 to 34¢; Standards, 32 to 32½¢; Rehandled Receipts, 31 to 31½¢.

Average price of Middling spot cotton in 10 designated markets was unchanged at 5.83¢ per pound. On the same day last season the price was 5.80¢. January future contracts on the New York Cotton Exchange advanced 2 points to 5.94¢, and on the New Orleans Cotton Exchange declined 2 points to 5.85¢.

Maine sacked Green Mountain potatoes brought \$1-\$1.25 per 100 pounds in eastern cities; mostly 55¢ f.o.b. Presque Isle. New York Round Whites 95¢-\$1 in the East; 66¢-69½¢ f.o.b. Rochester. Wisconsin sacked stock 75¢-80¢ carlot sales in Chicago; 50¢-55¢ f.o.b. Waupaca. New York Danish type cabbage \$10-\$15 bulk per ton in terminal markets \$5.50-\$6.50 f.o.b. Rochester. Florida and South Carolina Pointed type 85¢-\$1.25 per 1½-bushel hamper in city markets. Texas Round type \$1-\$1.50 per western lettuce crate in New York City; 55¢-65¢ f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions closed at 35¢-60¢ per 50-pound sacks in consuming centers; 35¢-38¢ f.o.b. Rochester and 25¢-30¢ f.o.b. West Michigan points. New York McIntosh apples, No. 1, 2½ inches up, \$1.10-\$1.25; Rhode Island Greenings 75¢-90¢ and Wageners 75¢ per bushel tub in New York City; Rhode Island Greenings 68½-75¢ f.o.b. Rochester. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 3

Section 1

January 5, 1932.

## FARM RELIEF BILLS

The press today says: "Refinancing of farm mortgages will be the next legislative step in the attempted rehabilitation of agriculture, according to congressional advocates of farm relief, now that the parity plan has started on its way. Regardless of the fate of the Jones bill embodying the parity plan....it was thought probable today that some sort of legislation tending to lighten the farmer's load of debt would be acted on at the present session. While the House marked time yesterday on farm relief, awaiting the opening of general debate today on the Jones measure, three bills were proposed turning their attention to farm mortgages. One measure, sponsored by Senator George and Representative Cox of Georgia, which was introduced in both Senate and House, would attempt to reduce all farm mortgage indebtedness by 50 per cent. This bill would authorize the Reconstruction Finance Corporation to make loans direct to farmers, provided they had been able to make an agreement with the holders of their mortgages reducing the amount of the original indebtedness by 50 per cent....A bill of generally similar intent, introduced by Representative Cary of Kentucky, would confide the task of liquidating and refunding existing agricultural indebtedness to the Federal Farm Loan System and to the Federal Reserve Bank. All farm mortgages existing on the date of the bill's passage would be taken up by the Federal Farm Loan Board. Real estate loans would then be made to the farmers, secured by first mortgages based on 80 per cent of the average valuation of the farms over the last five years...."

## DEPRESSION STUDY ASKED

The press today says: "A broad inquiry by the Senate finance committee into the economic problems facing the Nation was proposed yesterday in a resolution offered by Senator Harrison, ranking Democratic member of the committee. The resolution directs the committee to 'make an investigation and study of the present economic problems of the United States, with the particular objective of obtaining the views of such economists, financiers and other persons as in the opinion of the committee may be able to offer constructive suggestions with respect to the solution of such problems.' ...Chairman Smoot of the Senate finance committee said he would call a meeting immediately to consider Senator Harrison's resolution."

## IOWA TAX SALES

A Le Mars, Iowa, dispatch today reports: "Farm unrest, smoldering for months in the Iowa corn belt, flamed anew yesterday with threats to lynch a representative of a mortgage holder and forcible detention of a jurist who sought to summon aid. The demonstration occurred at a foreclosure sale when Herbert S. Martin, attorney for the New York Life Insurance Co., submitted a sealed bid for the John A. Johnson farm of \$30,000--\$3,000 less than the amount of the mortgage held by his company....A few hours later Martin received a wire permitting him to increase his bid the \$3,000 and after consummation of the sale officials agreed to postpone any further mortgage sales for one month...."

## Section 2

Baltimore                      Announcement was made January 4 by Chas. S. Jackson,  
Land Bank      President of the Federal Land Bank of Baltimore, that the bank  
Loans           has practically exhausted the Federal funds allotted to it for  
                 the purpose of granting extensions on installments on overdue  
                 first farm mortgages. "The funds allotted to the Federal Land  
                 Bank of Baltimore from the \$25,000,000, earmarked by Congress to  
                 be used by the twelve banks in granting extensions on installments,  
                 amounted to \$1,454,245," said Mr. Jackson. "Approximately this  
                 full amount has been used in the granting of extensions both in  
                 the States covered by the bank (Virginia, Pennsylvania, West  
                 Virginia, Maryland and Delaware) and in Puerto Rico. All of our  
                 extensions are granted only after careful inquiry has been made  
                 concerning the borrowers' ability to pay, provided there is a  
                 reasonable advance in the prices of agricultural commodities. We  
                 also take into consideration the past record of the borrowers in  
                 paying installments during good times and other existing indebted-  
                 ness. We require, of course, that the cooperation be not all one-  
                 sided....In addition to the extensions which have been granted,  
                 the bank is carrying a large number of borrowers who have not  
                 signed formal applications for extensions. All told, 10,839  
                 loans are being carried, the principal of which amounts to  
                 \$29,284,937. Loans in process of foreclosure as compared with  
                 this number of delinquents, amounted to only 4.2 per cent. We  
                 do not regard this number as high when taking into consideration  
                 the fact that in 1928 the percentage of loans in foreclosure to  
                 the total delinquents for the twelve Federal Land Banks as a  
                 system amounted to 7.3 per cent."

Barter                      A Cincinnati dispatch January 1 reports: "The depres-  
Systems           sion-bred 'barter exchange' movement, it was reported December  
                 31, has grown until 140 separate exchanges are operating in  
                 twenty-nine States of the Union and more than 200,000 unemployed  
                 in California alone are obtaining the necessities of life by  
                 trading a day's work for goods. The progress of the barter move-  
                 ment was summed up by J. Douglas Brown of Princeton University,  
                 before the American Statistical Association. At the same time it  
                 was learned a plan is being prepared, supported by prominent  
                 economists, to urge Federal assistance for the barter movement.  
                 This assistance would take the form of self-liquidating advances  
                 from funds loaned by the Reconstruction Finance Corporation to  
                 provide the cash required in operation. It is proposed, too, that  
                 the President be asked to appoint a committee to act as a clear-  
                 ing house of information on the best practices of operating barter  
                 units. Outlining growth of the movement, Mr. Brown said eighty-  
                 one barter exchanges are functioning in Los Angeles County alone,  
                 that 100,000 persons previously unemployed are receiving self-  
                 help through bartering services in the Pacific Northwest, chief-  
                 ly in Washington State, and that the Utah association has a daily  
                 turnover of more than \$5,000 in goods and services and has furn-  
                 ished 100,000 days of labor for its members. This association,  
                 he said, has grown until it has a 'national unit, three State  
                 units and fifteen city units in Utah, Idaho and Arizona.'..."



## Gold

David Friday, writing on "1933" in The Atlantic Monthly for January, says: "...Gold production has been steadily rising, until in 1932 it exceeded \$460,000,000. This is almost equal to the highest production ever reached. The employment of new gold in the arts has fallen to practically nothing during the past year. Even in 1931 it was small as compared with any previous year. In consequence, the last two years have made available for monetary uses about \$850,000,000. In addition, India has not been a buyer of gold during these years. By the autumn of 1932 she had exported over \$250,000,000 from private gold holdings, and the yellow metal is still coming out of that country. When this is added to the new production which was not absorbed in the arts, it gives a total for the two years of \$1,100,000,000, or more than half a billion annually, available for monetary uses... There is every prospect now of a record-breaking production of new gold during 1933. What confronts us, then, is an abundance of gold and not a scarcity. This is certain to make credit easy and interest rates low in any country where confidence is maintained. Such a condition will stimulate business revival. The year 1933 should lay the foundations for a great refunding of the short-time government loans which have been issued during this business depression, into long-term government bonds at low interest rates. It should also witness the initiation of an active and rising bond market. This new situation with respect to gold will have an important bearing on the future of commodity prices. ..."

## Nation's

The Associated Press December 30 says: "In its valedictory report, the National Advisory Committee on Illiteracy December 29 estimated at 4,283,753 the number of persons in the United States who can neither read nor write. The committee, appointed by President Hoover three years ago, with Secretary Wilbur as chairman, will go out of existence at the end of this year. Exhaustion of funds was given as the reason. Its work will be carried forward, however, by the National Illiteracy Crusade, an organization with offices in Washington....Forty-four State branches were formed to cooperate in the work. Pointing to the 1930 census, the report said it showed a 648,152 reduction in the number of illiterates for the previous ten years, while there was a 17,044,426 increase in population. This was said to be a one-third drop in illiteracy during the decade. 'Wyoming, with less than 3,000 illiterates, has become as acutely conscious of her problem as has Georgia with her 300,000,000,' the report continued. 'Examples of what has been accomplished by intensive effort are found in Louisiana, where some 90,000 illiterates were placed under instruction, and in Georgia where 118,000 were given similar help.' The committee stressed 'the need for rousing every community to its utmost effort, every State Department of Education to assume its responsibility, and all State Legislatures to appropriate funds for the removal of illiteracy.'..."

Reconstruction      An editorial in The Wall Street Journal for January Finance 2 says: "Details of the Reconstruction Finance Corporation's report upon its activities from its establishment last February to late in December throw light on the little understood nature of that institution and explain, if they do not wholly answer, the many criticisms which have been made of its management. Its record shows that it is essentially a bank, though one of a special nature, in some ways an emergency substitute for a real central bank. It is doing what central banks have frequently done in other countries, that is, making government credit temporarily effective in the money market to replace the credit which has ceased to arise naturally out of commercial operations and out of the credit resources of certain of the established banks. Thus it happens that the bulk of its business has been with banks. Out of total loans of \$1,500,000,000, in round figures, banks have received \$808,000,000, of which they have repaid \$234,000,000. The high proportion of repayment is gratifying, unless it results from an unwholesome pressure on the banks, through the interest rate charged them, to liquidate their assets on depressed markets and to deny commercial loans they would otherwise have made. Insurance companies, building and loan associations and similar institutions have received \$203,000,000, of which they have repaid \$22,000,000, and railroads \$262,000,000, of which they have returned but \$12,000,000....As the bank situation continues to improve the directors of the R.F.C. will in all likelihood find it possible to shift their energies and resources more in the direction of workmaking than the nature of their tasks has so far allowed. On the whole, the R.F.C. board of directors have done creditably in hurriedly organizing a colossal undertaking, with little of precedent and even less of recognized practice to guide them. Their work is all but certain to produce more visible good results in 1933 than it did in 1932."

Research      A Chicago dispatch to the press of January 3 says:  
Committee "America's great need now is a national program that will per-  
Report mit industry, government and the other elements of the social  
structure to function in relation to our progress in technology, according to William F. Ogburn, Professor of Sociology, and Charles E. Merriam, Professor of Political Science at the University of Chicago, in commenting January 2 on the monumental report of the Hoover Research Committee on Social Trend. The two professors who served on the committee, said America has natural resources, population and technological and economic organization surpassing any other country. But, they said, the social organization is cracking and out of gear, and the wealth of material presented in the report offers data on which scientists, political and labor leaders, industrialists and engineers have an opportunity to apply their intelligence to bring about adjustments. The report does not prescribe remedies. Professor Ogburn expressed optimism over the prospect of industrial expansion through new inventions, and the country's capacity to make the social and economic adjustments necessary to continued progress.  
..."



Wool Market A Boston dispatch December 30 says: "Prices of wool at Boston remain firm on a quiet demand. It is said that since the wool production of 1932 was less than in 1931 and the outlook is for a substantial further decrease in the clip of 1933, domestic prices may eventually have to meet the importing parity and the trend in values seems to be upward...."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 4.—Grain: No.1 dark northern spring\* Minneapolis 46 to 47¢; No.1 northern spring\* Minneapolis 45 to 46¢; No.1 hard winter\* Kansas City 41 1/4 to 42¢; No.2 hard winter\* Kansas City 40 3/4 to 41 1/2¢; St. Louis 48¢; No.1 S.R. Winter St. Louis 48 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 44 1/2¢; St. Louis 48¢ (Nom.); No.1 W. Wh. Portland 38 1/2¢; No.2 Am. Dur.\* Minneapolis 38 1/4 to 41 1/4¢; No.1 Durum (Duluth) 42 1/4 to 44 1/4¢; No.2 rye Minneapolis 29 1/2 to 32 1/2¢; No.2 mixed corn Minneapolis 19 to 20¢; Kansas City 22 1/4 to 22 3/4¢; Chicago 24¢ (Nom.); St. Louis 23 to 23 1/2¢; No.2 white corn Kansas City 22 1/2 to 23¢; St. Louis 24¢ (Nom.); No.2 yellow corn Minneapolis 21 1/2 to 22¢; Kansas City 22 3/4 to 24 1/4¢; Chicago 24 1/4 (Nom.); St. Louis 24 to 24 1/4¢ (Nom.); No.3 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 22 1/4 to 22 3/4¢; Chicago 22 3/4 to 23 1/4¢ (Nom.); St. Louis 23 to 23 1/2¢; No.2 white oats Minneapolis 14 1/8 to 15¢; Kansas City 17 to 18 1/2¢; Chicago 16 1/2 to 16 3/4¢; St. Louis 16 3/4¢; No.3 white oats Minneapolis 13 3/4 to 14 1/4¢; Kansas City 15 1/2 to 17¢; Chicago 16¢; St. Louis 16 1/4¢; Special No.2 barley Minneapolis 28 to 29¢; Chicago 33 to 36¢; No.1 flaxseed Minneapolis \$1.12 1/2 to \$1.15 1/4.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4 to \$6.75; cows, good \$2.75 to \$3.75; heifers (550-750 lbs.) good and choice \$4.25 to \$6; vealers, good and choice, \$4 to \$6; feeder and stocker cattle, steers, good and choice, \$4 to \$5.50; hogs, 160-200 lbs. good and choice \$3.10 to \$3.30; 200-250 lbs. good and choice, \$3.10 to \$3.35; 250-350 lbs. good and choice, \$2.70 to \$3.15; slaughter pigs, 100-130 lbs. good and choice, \$2.75 to \$3.15; slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$5.50 to \$6.10.

Maine sacked Green Mountain potatoes \$1-\$1.25 per 100 pounds in eastern cities; 55¢-58¢ f.o.b. Presque Isle. New York sacked Round Whites 95¢-\$1 in the East and Wisconsin stock 75¢-77 1/2¢ carlot sales in Chicago; 51¢-55¢ f.o.b. Waupaca. New York and Midwestern yellow varieties of onions 35¢-60¢ per 50-pound sacks in consuming centers; 25¢-30¢ f.o.b. West Michigan points. East Shore Maryland and Delaware Jersey type sweet potatoes 50¢-90¢ per bushel tub in eastern cities. Tennessee Nancy Halls 60¢-70¢ per bushel hamper in Chicago. New York

\*Prices basis ordinary protein.

Danish type cabbage \$10-\$13 bulk per ton in terminals; \$5.50-\$6.50 f.o.b. Rochester. Florida Pointed type 75¢-\$1.12½ per 1½-bushel hamper in New York City. Texas Round type 75¢-\$1 per western lettuce crate in New York City; 50¢-65¢ f.o.b. Lower Valley Points. New York Rhode Island Greening apples, No.1, 2½ inches, 83¢-90¢ and McIntosh \$1.12½-\$1.25 per bushel tub in New York City; Rhode Island Greenings 75¢ f.o.b. Rochester.

Average price of Middling spot cotton in the ten designated markets advanced 23 points to 6.06¢ per lb. On the corresponding day one year ago the price stood at 5.93¢. January future contracts on the New York Cotton Exchange advanced 18 points to 6.12¢, and on the New Orleans Cotton Exchange advanced 23 points to 6.08¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 23¼¢; 91 score, 23¢; 90 score, 22¾¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12½ to 13½¢; Single Daisies, 13¼ to 13¾¢; Young Americas, 13¼ to 13¾¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 33½ to 34¢; Standards, 32½ to 33¢; Rehandled Receipts, 31½ to 32¢.  
(Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVIII, No. 4

Section 1

January 6, 1933.

## FARM LEGISLATION

The press today says: "Amendments to extend the benefits of the parity plan to crops now being marketed were approved yesterday by the House agricultural committee just before general debate on the Jones farm relief bill began. Where the original bill provided that the certificates would be issued for the marketing year 1933-34, the amended measure provides an 'initial marketing period' after approval of the act. The fair exchange values during the initial marketing period were specified as 75 cents a bushel for wheat, 9 cents a pound for cotton and 5 cents a pound for hogs in the committee's amendment. These figures are considerably below the previously estimated level for wheat and cotton, but mark an increase of  $1\frac{1}{2}$  cents a pound over the figure previously named for the initial marketing period for hogs. ..."

## THE ECONOMY BILL

The press today says: "Presidential authority to abolish any Government bureau except the ten Executive departments is provided in the economy bill adopted by the Senate appropriations committee yesterday and which probably will be reported to the Senate today. The bill provides that Congress may veto such action only by a concurrent resolution adopted by both Houses of Congress within sixty days after the President has issued an abolition or consolidation order...The economy bill, which is handled technically as an amendment to the Treasury-Post Office appropriation bill, was written by a sub-committee of which Senator Bingham is chairman. Authorship of the measure is credited to Senator Byrnes...The economy bill includes other important changes in Federal practice and is estimated to include direct savings of between \$30,000,000 and \$35,000,000. The principal direct saving would be achieved through superimposing on the current compulsory furlough plan, cutting salaries in effect by  $8\frac{1}{3}$  per cent, a direct Federal salary reduction of  $1\frac{2}{3}$  per cent, making a total cut of 10 per cent in the Federal payroll. This cut also would be applied to the Army, Navy and Marine Corps, heretofore exempt...Compensating in small measure for the additional pay cut recommended by the committee, the Senate economy committee report asked removal of the economy act restriction on automatic increases in compensation by reason of length of service or promotion...."

## THE PRESIDENT ON EDUCATION

The press today says: "Admonished by President Hoover that there is no safety for the Republic without the education of its youth, the Citizens' Conference on the crisis in education which the President called yesterday at Washington undertook to evolve a practical program for guiding American education through the most serious financial crisis in history...In calling the conference to its task, the President, in the only scheduled formal address, asserted that in spite of economic, social and governmental difficulties, which may delay other problems, 'we can not delay the day-to-day care and instruction of our children.' The President asked the conferees to bear in mind throughout their deliberations 'that the proper care and training of our children is more important than any other project that is carried on by Government.' ..."



## Section 2

Agricultural Bill      In an editorial on the new farm bill, The New York Times for January 5 says: "The House of Representatives now has before it a bill said to embody the farm program of the Roosevelt Administration--the 'domestic allotment' plan. It provides that 'adjustment certificates' shall be issued to farmers who are willing in 1933 to reduce their acreage of wheat, cotton or tobacco 20 per cent, or their tonnage of hogs to the same extent. Certificates will entitle holders to receive, on that percentage of the total crop consumed in the United States, cash payments sufficient to bring prices up to their average pre-war level for the years 1909 to 1914. Funds with which to make these payments will be raised through a tax imposed on millers, packers and other processors of the four products specified, though as much as possible of this tax will doubtless be passed on to the consumer. The plan is to be effective for one year, but may be extended for a second by proclamation of the President. The text published yesterday differs in various respects from earlier versions. It was originally proposed that farmers agree by 'contract' to reduce their acreage. This feature of the plan has been dropped, possibly in order to avoid legal difficulties. A second change has been to discard the provision that the plan shall not become effective unless it receives the voluntary cooperation of at least 60 per cent of the producers of each favored crop; it is now to be put into operation, however large or small the cooperating group. Again, the size of the payment to the farmer has been increased; on wheat, for example, it has been boosted from 42 cents a bushel to the amount required to bring the price back to its pre-war level--about 60 cents at present. Finally, an interesting change has been made in the mechanics of the plan. It was first proposed that the taxes collected from the processors be pooled in a special fund from which payments would be distributed to the farmers. It is now proposed simply that the Treasury pay the bill and recoup its losses through collection of the special taxes....Whether this is the best way or the only way to solve the difficult problem which admittedly confronts American agriculture the House will debate this week. But it will clarify matters to recognize at the outset that the scheme proposes to tax the whole public for the direct benefit of part of it."

Chapin's Business Survey      A spread of confidence and even of optimism in a wide range of industries was disclosed January 4 in the results of a survey of national trade associations conducted by Roy D. Chapin, Secretary of Commerce. While some uncertainty as to the outlook for 1933 was expressed in the replies to the Secretary's inquiry, about one-third of the forty-four received expressed an expectation of improvement, as they represented more than half of the definite opinions set forth. An official summary of the replies cited as one striking phase 'the rather general comment that progress has been made in the last year despite the low volume of operations and the lack of profits comparable to recent years. The replies indicate,' the summary continued, "that there has been a greater tendency than before for each industry to place its house in order and to stand ready to capitalize any improvement in demand that may be forthcoming in 1933. The replies also

create the impression that there is a rather widespread feeling that the country is grappling with its problems at the present time in a realistic manner that should bring results." (Press, Jan. 5.)

Coffee  
Prices

The New York Times of January 5 reports: "Prices considered surprisingly high in the trade were received by the Grain Stabilization Corporation at the auction yesterday of 62,000 bags of its January installment of Santos coffee, part of the 1,050,000 bags received in 1931 from Brazil in exchange for wheat. Bids ranging from 9.48 to 9.59 cents a pound, or 25 to 50 points higher than the trade generally had expected, were accepted, according to an announcement made soon after the close of trading in futures on the New York Coffee and Sugar Exchange. Prices on the Exchange had declined 3 to 10 points in the day, carrying the March Santos position, the nearest position traded, to 8.22 cents a pound. The Stabilization Corporation still has 500 bags of its January allotment and will add them to the quantity to be offered on February 1."

Russian  
Conditions

Gerhard Hirschfeld, writing on "The Failure of the Five-Year Plan" in Barron's for January 2, says: "The first Five-Year Plan of the Soviet Union has come to a close. The plan was designed to serve three outstanding principles of the communistic doctrine: (a)--To foster the world revolution; (b)--To crush the profit motive which is considered the principal evil of capitalism; (c)--To 'socialize' Russia, by means of the strictest control of every single economic effort. The plan was to bring these principles somewhat nearer to realization; a powerful industry and agriculture were to swamp the world market so as to undermine the demand-and-supply scheme of the capitalistic world; private profits were to be eliminated through a rigid price control by the State; socialization, especially on the farms, was to be achieved through the organization of collective and state farms, at the expense of private farming enterprises. To measure the results of the first Five-Year-Plan, it is necessary to recall these fundamental aims. Upon this background the present situation, as of the fifth year under a planned economy, may be described. Though great emphasis is laid, in and out of Russia, upon the industrial development, there can be little doubt but that the agricultural phase of the Five-Year Plan is the more important, for three reasons: 80% of the population is on the farms; secondly, people must be fed, no matter how scantily, or they will revolt, thirdly, industrial progress depends upon the import of technical equipment from abroad which can, in the long run, be paid only through export goods. Agriculture is the only branch which could, normally, export on a large scale. It is largely for these three reasons that agriculture is the one factor upon which depends success or failure of the Five-Year Plan, as, for that matter, of the communistic effort in Russia. One underlying weakness of the Soviet plan becomes obvious; it is based, in its political structure and in its tremendous industrial drive, upon the urban part and population of the Union. Yet its intrinsic merit as well as opportunity lies with the farmer. Socialization and the elimination of



the profit motive among the farmers were, then, the principal issues which confronted the Soviet Government. The problem has not yet been solved. The doctrine of communism has not yet been justified....Turning back to the three principles of communism which we have set down at the beginning of this article, it is evident that Soviet Russia, at least for the time being, has abandoned the aim of a world revolution; she is too busy trying to overcome the obstacles at home. Beyond that, Stalin and his associates have laid aside one of the most sacred of communistic dogmata: The elimination of the profit motive which has not only been restored to the farmers and the artisans (and will possibly be extended to other groups) but also upon which there has been put a premium,--tax-exemption. Finally, the socialization of Soviet Russia has been interrupted; control of the most important economic branch, namely, agriculture, has been dropped. The peasant would not be 'socialized;' hence he has been given back the freedom of private initiative and unrestricted production. In statistical figures, the Five-Year Plan has fallen far short of the goal. The unsolved agricultural puzzle has all along been underlying the shortcomings of the industrial growth. Now that a solution of the agricultural dilemma has been attempted in a decidedly capitalistic way, it becomes clear that Moscow is not fighting any longer for the communistic gospel, nor for world revolution, or socialization, but solely for the Five-Year Plan, that is, for the industrialization of the country. In this way, the apparently unbreakable resistance of a singularly stubborn peasantry would be most easily, and definitely, overcome. But failure of the Five-Year Plan (regardless of whether that be realized in 10 or in 20 years) would mean the breakdown of the Moscow regime. Meanwhile, the principles of communism have already, though perhaps temporarily, collapsed."

#### Technocracy

An editorial in Food Industries for January says:

"Animated discussions in many walks of life have led many to believe Technocracy is something new. Industrial Engineering magazine used the term in 1919. Most of the ideas which Technocracy publicizes have been printed in books by such well-known authors as Veblen, who has been dead for years. No subject has been the object of more alarm and buncombe than that research into energy consumption and production of goods and commodities called by the curious name 'Technocracy,' now being conducted at Columbia University. After reading all that is available pertaining to the subject and listening to Prof. Walter Rautenstrauch, who has given quasi-sponsorship to the research, we find little to substantiate the dire preliminary predictions of Howard Scott and other more or less responsible spokesmen who suggest or predict a complete collapse of human affairs in eighteen months. Not devoid of scientific and engineering training ourselves, nor wholly lacking in vision and foresight, we can not subscribe to the conclusions ascribed to technocratic speculations...Technocracy, as created by engineers, can never provide the program of purposive social implications or readjustments which it believes it foresees to be needed. As a fact-finding agency--an engineering research organization--it merits our admiration for its very

courage in tackling so vast a field as an energy survey of the North American continent. But life is too labile, too fluid, to permit its organization on the precision basis of engineering..."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 5.--Grain: No.1 dark northern spring\* Minneapolis 46 1/2 to 47 1/2¢; No.1 northern spring\* Minneapolis 45 1/2 to 46 1/2¢; No.1 hard winter\* Kansas City 41 3/4 to 42 1/2¢; No.2 hard winter\* Kansas City 41 1/4 to 42¢; St. Louis 48¢ (Nom.); No.1 S.R. Winter St. Louis 49¢ (Nom.); No.2 S.R. Winter Kansas City 41 to 41 1/2¢; St. Louis 48¢ (Nom.); No.1 W. Wh. Portland 38 1/2¢; No.2 Am. Dur.\* Minneapolis 38 1/2 to 41 1/2¢; No.1 Durum (Duluth) 42 1/2 to 44 1/2¢; No.2 rye Minneapolis 29 3/8 to 32 3/8¢; No.2 mixed corn Minneapolis 19 to 20¢; Kansas City 22 1/2 to 23¢; Chicago 24¢; St. Louis 23 1/2¢ (Nom.); No.2 white corn Kansas City 22 3/4 to 23 1/4¢; St. Louis 24¢ (Nom.); No.2 yellow corn Minneapolis 21 1/2 to 22¢; Kansas City 23 1/4 to 23 3/4¢; Chicago 24 1/2¢ (Nom.); St. Louis 25¢; No.3 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 22 3/4 to 23 1/4¢; Chicago 23 1/4 to 24 1/4¢; St. Louis 23 to 23 3/4¢; No.2 white oats Minneapolis 14 5/8 to 15 1/8¢; Kansas City 17 to 18 1/2¢; St. Louis 17 1/4¢; No.3 white oats Minneapolis 13 7/8 to 14 3/8¢; Kansas City 15 1/2 to 17¢; Chicago 16 1/2¢; St. Louis 16 3/4¢ (Nom.); Special No.2 barley Minneapolis 28 to 29¢; Chicago, 33 to 36¢; No.1 flaxseed Minneapolis \$1.14 to \$1.17.

Livestock: at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4 to \$7; cows, good \$2.50 to \$3.50; heifers, (550-750 lbs.) good and choice \$4.25 to \$6; vealers, good and choice, \$4 to \$6; feeder and stocker cattle, steers, good and choice, \$4 to \$5.50; hogs, 160-200 lbs. good and choice, \$3 to \$3.25; 200-250 lbs. good and choice, \$3.05 to \$3.25; 250-350 lbs. good and choice, \$2.70 to \$3.15; slaughter pigs, 100-130 lbs., good and choice, \$2.75 to \$3.15; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.75 to \$6.40.

Maine sacked Green Mountain potatoes \$1-\$1.25 per 100 pounds in eastern cities; 55¢-58¢ f.o.b. Presque Isle. New York sacked Round Whites 95¢-\$1 in the East; 64¢-69¢ f.o.b. Rochester. Wisconsin sacked Round Whites 75¢-77½¢ carlot sales in Chicago; 50¢-52½¢ f.o.b. Waupaca. New York Danish type cabbage \$10-\$13 bulk per ton in terminal markets; \$5-\$6.25 f.o.b. Rochester. Florida Pointed type 85¢-\$1 per 1½-bushel hamper in the East. Texas Round type \$1.75-\$2 per western lettuce crate in Pittsburgh; 50¢-65¢ f.o.b. Lower Valley Points. New York and midwestern

\*Prices basis ordinary protein.

yellow varieties of onions 30¢-60¢ per 50-pound sack in consuming centers; 27¢-35¢ f.o.b. Rochester and 25¢-29¢ f.o.b. West Michigan points. New York Rhode Island Greening apples, U.S. No. 1, 2½ inches, 80¢; Wealthys 80¢ per bushel tub in New York City; Rhode Island Greenings and Wealthys 75¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 23¼¢; 91 score, 23¢; 90 score, 22¾¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 12½ to 13½¢; Single Daisies, 13¼ to 13¾¢; Young Americas, 13¼ to 13¾¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 34¢; Standards, 33½¢; Rehandled Receipts, 32¾¢.

Average price of Middling spot cotton in the ten designated markets declined 3 points to 6.03¢ per lb. On the corresponding day one year ago the price stood at 5.93¢. January future contracts on the New York Cotton Exchange remained unchanged at 6.12¢, and on the New Orleans Cotton Exchange declined 6 points to 6.02¢. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

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Vol. XLVIII, No. 5

Section 1

January 7, 1933.

**R.F.C. LOANS.** Emergency relief loans totaling \$23,480,074, of which Pennsylvania received \$13,869,908, Thursday were approved by the Reconstruction Finance Corporation. Texas received \$2,565,833; Michigan, \$5,021,937; Virginia, \$622,319; Mississippi, \$1,847,125 and Ohio, \$1,400,077. All of the loans are to take care of relief needs during January and February. The Pennsylvania loan is to take care of the needs of 66 counties and constitutes the third loan allowed to that State, bringing the total allotment to date to \$26,705,446. (Press, Jan. 6.)

**IOWA TAXES** A Rowley, Iowa, dispatch December 25 says: "Citizens of this small town consider themselves well off in comparison with those of many more populous places. Not a taxpayer is delinquent. Not a resident is on the Buchanan County poor list. Rowley has a population of 205, has 60 houses, 15 business concerns, including a bank, and 3 churches."

**PANAMA CANAL TRADE** A Balboa, Canal Zone, dispatch today states that the year 1932 was the worst, so far as commercial traffic is concerned, that the Panama Canal has encountered since 1922. A total of 4,637 transits were reported for the year in a statement published January 4. The ships paid \$19,635,000.

**CAROLINA DUCK IN ALASKA** A Charleston, S.C., dispatch December 25 says: "E. Milby Burton, director of the Charleston Museum, has received word from Alaska that a duck of the scaup variety bearing a leg tag affixed at Charleston two years ago, was killed by natives on a small Alaskan river, establishing a record for distance of flight by ducks banded at Charleston."

**LOCUSTS IN ARGENTINA** A Buenos Aires dispatch says: "A great swarm of locusts, 300 miles long, swept down the Bermejo River in the Formosa District recently, annihilating cotton, tobacco and grain crops. Farmers of the district strenuously dug trenches and constructed locust traps in an effort to save their crops, 40 per cent of which have been ruined. Appeals to the government for sulphur and arsenic to be used fighting the pests were received in Buenos Aires."

**CHILEAN CATTLE** A Santiago, Chile, dispatch says: "Three hundred thousand head of Chilean cattle pasturing on the eastern slopes of the Andes are perishing for lack of grass, which is drying up, owing to volcanic dust erupted by the volcanoes Quizapu and Descabezado. The most recent reports indicate that the volcanic activities continue, with thick clouds of sulphur, smoke streams and lava visible and a new opening in Dasca-bezado...."

## Section 2

American Family      An editorial in The Daily Pantagraph (Bloomington, Ill.) for January 2 says: "A convention of scientists which recently met at Atlantic City took up a wide range of topics, from technocracy to food values. One of the subjects which occupied a session was the condition of the average American family....The scientists came to the conclusion that the average American family consists of 3.4 persons, with more than one wage earner, and living in rented houses, to the extent of more than 50 per cent. The average rent paid by this average family is \$27.15 per month. The average house occupied by the average family is estimated at \$5,000 in value, which figure may have been arrived at by striking the mean between the hovel valued at a few hundred dollars up to the mansion worth hundreds of thousands. One family in every 10 takes lodgers in addition to its own members. One home maker in every seven has some job outside the home. Flats or apartments house one family in every eight. Children leave home early, for 39 per cent of the families have no children at home under 21 years of age."

Florida      An editorial in The Miami Herald for January 3 says:  
Opportun-      "Every day brings new evidence that the people of Florida are  
ities      going back to the land, and in doing so are turning their backs upon the inflated credit and paper values that have played them false. Growing money is coming to be the thing. Not necessarily bringing crops out of the ground, but producing with labor or services of one kind and another certain values that can be exchanged to others for necessities. Men are finding that the spare time their complete or partial unemployment have brought can be turned into farming with permanent satisfaction. As an example, the city of Miami is producing enough vegetables to feed every hungry mouth in the city this winter and is doing it with labor that is finding in supervised activity a training that will stand them in good stead for a long time to come. Using land owned by the city, the squads of unemployed are working under the direction of practical farmers and are raising stuff that will not in any conceivable way reduce the sales of other truck growers or merchants. Here and elsewhere we see striking examples of the necessity for a homestead law in Florida, and for a rigorous foreclosure by the State on land long tax delinquent and idle. If Florida in 1933 could open to homestead her millions of acres of land suitable for some sort of farming, thousands and tens of thousands of families would go back to the soil and stay there...."

Forestation      An editorial in Farm and Ranch for January 1 says: "Canada has a larger acreage of native forest than now exists in the United States. Canadian forests rank second to agriculture among primary industries in their contribution to Dominion production. Yet, Canada has learned that it is profitable to plant trees, and steps have been taken to place Canadian forests on a sustained basis. The largest single industry in connection with Canadian forests is the production of pulp, and



Canadians have demonstrated that it is commercially profitable to plant trees of the kind that produce the best pulp for paper making. If Canada can profitably plant trees, then it should be worth while to plant them in our Southern States. It has been learned recently that slash pine and other southern pines will make good pulp wood; that slash pine grows very rapidly and that some plantings have become commercially valuable within a period of eight years. With millions of acres of cut-over lands better adapted to trees than any other crop, a new industry should spring up in the South adding materially to our industrial wealth."

Georgia  
Farm  
Land

An editorial in Southern Cultivator for January 1 says: "The application of businesslike methods in farm operation is announced for a model farming community to be developed in Lowndes County, Georgia, by a New York corporation. A plot of 900 acres will be divided into small farms of from 40 to 60 acres, on each of which will be erected houses, barns and poultry houses and wells sunk. Then it is planned to place on each one of these small farms an experienced farmer and his family. It is announced that if this project is successful, other lands will be acquired and developed along the same lines. That farmers starting out under such conditions will be able not only to make both ends meet, but will be faced with the opportunity of prosperous results from their labors is certain. There is no better farming land in the country than that in Lowndes County, Georgia. On it can be grown both tobacco and cotton as cash crops and every kind of vegetable will flourish in the year-around mild climate of south Georgia. Cattle, hogs and chickens can stay in the fields every month of the year. Under such conditions a diligent and intelligent farmer can declare a dividend on his year's operations, whatever the market price of his cash crops. The Lowndes County experiment will be watched with interest, because it might well prove to mark the real turning point in southeastern agriculture. There are hundreds of farms, running into many thousands of acres, that have been taken over by insurance companies and mortgage concerns, which are lying idle, growing up in weeds, briars and scrub saplings of various kinds, on which the present owners can never realize the sums they have invested. Cut up into small farms and placed under ownership of good, industrious farmers on long-term contracts, with low interest rates, is the only plausible way out for the present owners. In that way they will realize something on their investment and this abandoned land will become an asset to the several States and an opportunity for independence for those farmers who are willing to adjust themselves to changed conditions and work hard for success."

Japan and  
Nitrate

A Santiago, Chile, dispatch December 30 says: "Official reports from Tokyo indicate that Japan is ready to import 50,000 tons of Chilean nitrate of soda next year for explosives and agricultural fertilizers if price levels are reduced in accordance with quotations on American and European

synthetic products. The reports add that efforts by the Cosach Nitrate Corporation to reopen Far Eastern markets are meeting success, although only 3,000 tons of nitrate so far have been delivered in Tokyo.

Profitable      An editorial in The Daily Pantagraph (Bloomington, Farm Life Ill.) for December 31 says: "Several years ago a New York business man found a way to make farm life pay. He bought a small farm and raised produce for his own consumption instead of for the market. He bought small mills for grinding grain, pressure cookers for canning vegetables, and so on; and presently he found that he was producing practically everything that his family ate, from green vegetables to wheat flour and corn meal; the income from his city job carried his farm's expenses, and he was about twice as well to do as he ever had been before. Will we, some day, come to some such system as that for large numbers of the population? Theoretically, the plan is perfectly feasible. In a time like this it might be worth thinking about."

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# DAILY DIGEST

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Vol. XLVIII, No. 6

Section 1

January 9, 1933.

## REORGANIZATION

The press today says: "The discussion in Congress over President Hoover's request for authority to co-ordinate and reorganize departmental activities will be renewed today, when a resolution refusing Mr. Hoover such a grant of authority will be reported by the House committee on expenditures in the Executive departments. Representative Cochran of Missouri, chairman of the committee, said yesterday he would ask for a special rule, and hoped that consideration of the resolution would come within a week or ten days. Executive orders proclaimed by the President would become effective on February 5, unless either the Senate or the House takes adverse action before that date. Mr. Cochran said he felt that it was vital to force an early test of the issue...."

## RAIL INCOME

Railroads in the East reported a net operating income of \$20,265,000 in November, against \$17,510,000 in November, 1931, an increase of 15.7 per cent, according to a statement by the Bureau of Railway Economics. This was the largest increase of its kind reported for the East this year and one which compared with an increase of 7.5 per cent in October. The railroads in the West and South, however, reported decreased net operating income for November. As a result, net operating income for all the roads declined 7.1 per cent in November, compared with six-tenths of 1 per cent in October, the latter ratio being the lowest for the year. The highest ratio of decline was 79.6 per cent in July. (Press, Jan. 9.)

## FINANCIAL MARKET

The New York Times today says: "On the markets, the new year has begun with sufficient cheerfulness. The rise in stocks and bonds has already been at times emphatic, with the effect on Wall Street sentiment which such a movement usually has. In that regard, however, it only repeated precedent even of the last two or three checkered years. The 'averages' for stocks invariably moved up 15 to 20 points in the first six or seven weeks after New Year's Day, and in so doing the stock market very probably voiced its expectation of some more or less positive signs of better business on the approach of spring...."

## LIVESTOCK FORECLOSURE SALE

A Maryville, Mo., dispatch today reports: "Five hundred farmers took charge of a chattel mortgage foreclosure sale January 7 at the I. C. Moore farm, 10 miles northeast of Maryville, and bid in 49 head of livestock for a total of \$34.90. The mortgage, held by a Ravenwood bank, amounted to \$2,200. Fay Casteel, an officer of the bank, who acted as clerk at the sale, departed after only \$1 bids were made on purebred cattle. The farmers persuaded the auctioneer, C. E. Showen, to continue with the sale."



## Section 2

## Barter

Murray E. King, writing under the title "Back to Barter" in The New Republic for January 4, says: "Confronted by the economically absurd but none the less indubitable fact that our depression-ridden country, and in particular the West, swarms with consumers who can not buy and producers who can not sell, the jobless of four Rocky Mountain States are at present attempting to solve the problem of living by instituting a moneyless system of direct exchange. Cooperative groups, bound together by this common purpose, have sprung up during the past year in Idaho, Wyoming, Utah and Arizona. The immediate impetus behind the movement in these four States was not only the ravages the depression had made upon consumer buying power, but the virtual collapse of the four basic industries of this section....The first movement toward a solution of the problem came from a number of Salt Lake City business men. Led by Benjamin B. Stringham, a real-estate operator, they formed a group based on the idea of bringing about a direct exchange between the surplus labor of the jobless and the surplus produce of the farms. Their efforts were instantly crowned with success. Both the farmers and the unemployed, understanding that only by methods of barter and exchange could they circumvent the constant obstacle of a lack of cash, took up the idea enthusiastically. The idea first took form during the harvest season of 1931, when the farmers were in desperate need of hands to help them with their crops and, having no cash, leaped at the chance of being able to pay wages in the form of produce....From this point the movement spread with surprising rapidity. In the city the idea was extended to include all the trades and professions. Barbers, painters, doctors, dentists, all of whom had been hit most severely by the depression, were organized through the group and placed in contact with the unemployed workers who wished to barter their labor for food. Workers who had labored on the farms exchanged their potatoes or their wheat for haircuts or even for dental services....By the middle of January, 1932, the exchange business had expanded to a point where it became necessary to incorporate the system and organize it into departments along modern lines. It was named the Natural Development Association. Growth, after the organization was incorporated, proceeded even more rapidly than before. Representatives of practically every kind of labor, trade and profession joined. Branches were established, first in Ogden, then in towns and cities in southern Idaho. The rapid expansion and increasing volume of business which the association was handling made a new development necessary. In July, 1932, scrip was introduced as the medium of exchange among members of the organization. By adopting this method, the exchange of products for work was greatly simplified and much costly and intricate bookkeeping avoided....In a recent report the association lists sixteen major kinds of commodities for exchange, including food products offered by farmers, dairymen, sheepmen and cattlemen. The N.D.A. Health Department operates fifteen distinct services, from medical treatment to drug-store service. The report also lists one hundred and three lines of unskilled labor, services and trades....The business of the N.D.A. is

doubling month by month. From \$36,000 in August, one month after the scrip was adopted, the business of the Salt Lake branch rose to an average of \$2,500 a day in September, or approximately \$75,000 for the month. From all indications there will be a similar increase in the months to come. Officials report that the business of the organization is showing a similar growth outside of Salt Lake City. The organization at the present moment is busily engaged supplying a means for the average Utah farmer to obtain coal in exchange for produce. Its contact men have circulated through the agricultural districts and are offering the farmers coal for farm produce...."

**Refrigeration**      The Pan American Union for December says: "As may be seen, Argentina has made great progress in the application of refrigeration to her export trade in meats. There is still open a great field in the use of refrigeration in the domestic commerce of the country. Argentina is said to lead the world in the consumption of meat, with a yearly average of 264 pounds per capita. Recent statistics prepared by the Ministry of Agriculture show that on June 30, 1932, there were 33 private and 351 municipal abattoirs in the interior of the Republic which did not have refrigeration systems. These abattoirs have sufficient daily capacity to slaughter 164 and 10,505 heads, respectively. Refrigeration is only beginning to be applied to the fishing and fruit industry, and the number of refrigerated trucks and railway cars is still small."

**Sugar Outlook**      An editorial in Facts About Sugar for January says: "Despite the disappointing performance of the markets in December, when Cuban raw sugar again sold in New York on a cost and freight basis of less than a cent a pound, the year 1933 opens with a distinctly optimistic feeling prevalent in the trade with regard to an early betterment in the situation. It is recognized that the slump in New York prices in the final weeks of the year just ended was due largely to the uncovering of weakness in the December long position on the Sugar Exchange. In London the sharp drop in sterling during the early part of the month was an unfavorable factor affecting sales from countries where gold remains the monetary basis. In neither of the world's two principal markets did conditions for the moment accurately reflect the actual trade situation in sugar. The more hopeful sentiment in the trade is based primarily upon a recognition of the decided improvement that has taken place in the statistical position of sugar and upon the practical certainty that this position will be strengthened still further as the year advances. On another page of this issue we publish the estimates of Dr. Gustav Mikusch as to production and consumption during the current and past crop years, counting these as extending from September 1 to August 31. According to these figures the total world output for 1932-33 will be 26,063,000 metric tons, raw sugar value, a reduction of 1,708,000 tons or 6.15 per cent from 1931-32 and of 4,145,000 tons or 13.7 per cent from 1930-31. In this computation the 1932 production of Java is included in the 1932-33 total, since the bulk of the crop is shipped during that period although actually made before its beginning. If Java's production for 1933



were used in this comparison there would be a further drop of over 1,000,000 tons in the total crop for 1932-33. World consumption during the crop year ended August 31 last is estimated by Dr. Mikusch at 26,920,000 metric tons when reduced to a raw sugar basis for comparison with production. There was a surplus output during the past year, therefore, of 871,000 tons. Consumption during the crop year 1932-33 of course will not be known exactly for another ten or twelve months, but it is improbable that it will be less than 26,500,000 tons, or nearly half a million tons in excess of production...."

Willoughby                      A Detroit dispatch December 31 says: "In the opinion  
on Gov-                      of Dr. W. F. Willoughby of the Brookings Institution, Washington,  
ernment                      president of the American Political Science Association, the en-  
                                 tire structure of popular government needs re-examination and  
                                 reorganization. In his address at the annual meeting of the as-  
                                 sociation, Dr. Willoughby took the position that political and  
                                 economic conditions have changed so radically since the adoption  
                                 of the Federal Constitution that it no longer provides a logical  
                                 and adequate set-up for popular government....Outlining the ex-  
                                 tent of this field of research, Dr. Willoughby included among the  
                                 urgent problems of government the dual constitution of legisla-  
                                 tive bodies; overlapping functions of the different branches of  
                                 administration; the multiplicity of duplications of power as be-  
                                 tween the Federal and the States governments and similar dupli-  
                                 cation of powers and services by governmental units within the  
                                 States; inadequacy of the administration of law through the courts  
                                 as constituted, and forms of territorial government...."

World                              Wheat Studies of the Food Research Institute (Stanford  
Wheat                              University) for December says: "The crop year 1931-32 was the  
                                 fourth successive year of burdensome wheat surplus, the third  
                                 of severe economic recession. Early-season expectations of a  
                                 1931 world wheat crop small enough to reduce the surplus sub-  
                                 stantially were not borne out, and the year ended with another  
                                 large crop in prospect. World wheat prices (in gold) fluctuated  
                                 on the lowest level in modern times. A speculative advance in  
                                 October-November from new lows in the autumn of 1931 was short-  
                                 lived. The level prevailing when the year opened was already so  
                                 low that throughout the year wheat prices showed more resistance  
                                 to decline than most other significant economic indexes. In sev-  
                                 eral important exporting countries, but not in the United States,  
                                 the impact of low prices was softened by depreciation of domestic  
                                 currencies. Bonuses to producers were paid in Canada and Aus-  
                                 tralia. Some European importing countries kept domestic prices  
                                 high by rigorous restriction of imports. Low prices stimulated  
                                 food use of wheat in China, and feed use in a few free-trade Euro-  
                                 pean countries. Yet good crops in Europe, and widespread import  
                                 restrictions, were effective in keeping the volume of interna-  
                                 tional trade below average. Southern Hemisphere exporters and  
                                 the Danube countries shipped freely, and Russian exports were  
                                 heavy in view of the supplies available; but larger fractions of  
                                 the North American surpluses were retained domestically than  
                                 ever before. Heavy use of wheat in low-price outlets--for feed

in North America and a few European countries, for food in China--led to heavy disappearance in the world ex-Russia. But supplies from inward carryover, crops, and Russian exports were so large that world wheat stocks were reduced only about 40 million bushels in the course of the year, and were more than 50 per cent above normal at the close. The excess was almost entirely in North America. United States wheat alone made up nearly 45 per cent of the world carryover, a record proportion."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 6.--Grain: No.1 dark northern spring\* Minneapolis 48 1/2 to 49 1/2¢; No.1 northern spring\* Minneapolis 47 1/2 to 48 1/2¢; No. 1 hard winter\* Kansas City 42 1/4 to 43 1/4¢; No.2 hard winter\* Kansas City 41 3/4 to 42 1/2¢; St. Louis 50¢ (Nom.); No.1 S.R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter St. Louis 50¢ (Nom.); No.1 W. Wh. Portland 40¢; No.2 Am. Dur.\* Minneapolis 40 1/2 to 43 1/2¢; No.1 Durum (Duluth) 44 1/2 to 46 1/2¢; No.2 rye Minneapolis 31 1/4 to 34 1/4¢; No.2 mixed corn Minneapolis 19 1/2 to 20 1/2¢; Kansas City 22 1/2 to 23¢; Chicago 24¢; No.2 white corn Minneapolis 15 to 15 1/2¢; Kansas City 23 to 23 1/2¢; No.2 yellow corn Minneapolis 22 1/2 to 23¢; Kansas City 23 1/4 to 23 3/4¢; Chicago 25 to 25 1/2¢ (old); St. Louis 25¢; No.3 yellow corn Minneapolis 21 1/2 to 22¢; Kansas City 22 3/4¢ to 23 1/4¢; Chicago 23 to 23 1/2¢ (New); St. Louis 23 to 24¢; No.2 white oats Minneapolis 15 to 15 1/2¢; Kansas City 17 to 18 1/2¢; Chicago 16 3/4¢; St. Louis 17 1/2¢; No.3 white oats Minneapolis 14 1/4 to 14 3/4¢; Kansas City 15 1/2 to 17¢; St. Louis 17¢ (Nom.); Special No.2 barley Minneapolis 27 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.15 1/2 to \$1.18 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$4 to \$7; cows, good and choice, \$2.50 to \$3.50; heifers (550-850 lbs.) good and choice \$4.25 to \$6; vealers, good and choice, \$4 to \$6; feeder and stocker cattle, steers, good and choice, \$4 to \$5.50; hogs, 160-200 lbs. good and choice, \$3.15 to \$3.40; 200-250 lbs. good and choice, \$3.10 to \$3.40; 250-350 lbs., good and choice, \$2.75 to \$3.15; slaughter pigs, 100-130 lbs., good and choice, \$2.85 to \$3.20; slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$6 to \$6.60.

Maine sacked Green Mountain potatoes \$1-\$1.25 per 100 pounds in eastern cities; 53¢-55¢ f.o.b. Presque Isle. New York sacked Round Whites 90¢-\$1 in the East; 64¢-70¢ f.o.b. Rochester. Wisconsin sacked stock 75¢ carlot sales in Chicago; 50¢-52¢ f.o.b. Waupaca. New York Danish type cabbage \$9.50-\$13 bulk per ton in terminal markets; \$5-\$6.25 f.o.b. Rochester. Florida Pointed type 75¢-\$1 per 1 1/2-bushel hamper in the East. Texas Round type \$1.60-\$1.75 per western lettuce crate in Chicago;



50¢-65¢ f.o.b. Lower Valley Points. New York and Midwestern yellow varieties of onions brought 30¢-60¢ per 50-pound sack in consuming centers; 35¢ f.o.b. Rochester and 25¢-27 $\frac{1}{2}$ ¢ f.o.b. West Michigan points. New York U.S. No.1, 2 $\frac{1}{2}$  inches McIntosh apples \$1.25 per bushel tub in New York City; Rhode Island Greenings 75¢ f.o.b. Rochester.

Average price of Middling spot cotton in the ten designated markets remained unchanged at 6.03¢ per lb. On the corresponding day last year the price stood at 5.99¢. January future contracts on the New York Cotton Exchange declined 1 point to 6.11¢, and on the New Orleans Cotton Exchange advanced 3 points to 6.05¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 22 $\frac{1}{2}$ ¢; 91 score, 22 $\frac{1}{2}$ ¢; 90 score, 22 $\frac{1}{4}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 $\frac{1}{2}$  to 13 $\frac{1}{2}$ ¢; Single Daisies, 13 $\frac{1}{4}$ ¢ to 13 $\frac{3}{4}$ ¢; Young Americas, 13 $\frac{1}{4}$  to 13 $\frac{3}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 34 $\frac{1}{2}$ ¢ to 35¢; Standards, 33 $\frac{1}{2}$ ¢ to 34¢; Rehandled Receipts, 33¢.  
(Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVIII, No. 7

Section 1

January 10, 1933.

**POST OFFICE-  
TREASURY BILL** The annual Treasury-Post Office Departments' supply bill, carrying \$961,000,000 and the new national economy proposals, was reported to the Senate yesterday by its appropriations committee, according to the press today. The report says: "The economy provisions attached to the appropriations measure included a broadening of the President's power to reorganize the Government and authority for him to abolish Executive agencies, except departments, provided he does not eliminate any function of an agency established by Congress. They also provide a flat salary reduction of 1 2/3 per cent for Federal employees, and a continuance of the furlough provision, which brings a reduction of 8 1/3 per cent, for a total of 10 per cent...."

**AGRICULTURE IN  
CONGRESS** The press today reports: "Methods of helping the farmer grow, and profit from, his 1933 crops absorbed the attention of Democratic House leaders last night, while the Senate studied a variation of the emergency relief bill introduced by the assistant Republican leader, McNary of Oregon. Successful in placing high upon the legislative program of the House a measure to set aside \$103,000,000 of Reconstruction Finance Corporation funds for production loans on this year's crops, chairman Jones of the agriculture committee concentrated upon plans for bringing the emergency bill to a vote by Thursday. Consideration of a host of amendments is to begin today. The crops loan measure is to be taken up as soon as the allotment bill is disposed of. McNary's measure would flatly fix prices to be paid farmers on their share of domestic consumption of all farm commodities. This price would equal the world price plus the tariff with cotton duties at 10 cents a pound.... Also introduced in the Senate were bills to alleviate farm mortgage troubles. Senator Hull of Tennessee proposed authorizing the Reconstruction Corporation to lend \$1,000,000,000 to farm mortgagors to obtain lower rates of interest and sought to obtain postponement of foreclosures for two years. A measure by Senator Fletcher of Florida would authorize loans by Federal Land Banks to farmers in areas lacking farm loan associations...."

**FORECLOSURE SALES  
IN IOWA** A Logan, Iowa, dispatch today says: "The farmers' fight against sheriffs' sales spread to other communities in Iowa and Wisconsin yesterday. Members of the Farmers Defense Council at Le Mars Iowa, scene of last week's disorder in which farmers halted a foreclosure sale with threats to an insurance company attorney and a district judge, were organizing an expedition to Des Moines to exert their influence on the State Legislature which convened yesterday. About 100 declared their intention of making the trip to urge legislation which would deprive courts of jurisdiction for a period of several months in cases involving money judgments...."

## Section 2

Business Conditions      The Business Week for January 11 says: "Though 1933 has barely had a chance to suggest the trend of the year, a number of encouraging factors have already come to light....Steel production is turning slowly upward under the impetus supplied by the automobile industry whose confidence in the market of the current year stands in gratifying contrast to the hesitation so prevalent elsewhere....Carloadings showed the first gain over the preceding year since 1929, though enthusiasm must be tempered by the knowledge that Christmas affected the 1931 week....The stock and bond markets have shaken off the lethargy of the past few weeks, and commodity prices are showing greater stability.... Further easing of money rates extending to the mortgage market in New York, a continued inflow of gold from abroad, and a return flow of currency to the banks are strengthening the financial situation....The uncertainty as to governmental policy is undoubtedly obscuring the track and delaying credit expansion.... Trade abroad is mending, particularly in Germany which has concluded trade agreements with both France and Canada that may be the forerunners of similar treaties paving the way for the more complete success of the world economic conference this summer."

Economic Confer-      Alonzo E. Taylor, writing under the title "The Forth-  
ence      coming International Economic Conference" in The Saturday Evening Post for December 31, says: "An international economic conference has been called to meet in Europe. The last conference was held at Geneva in 1927. The purpose of the next conference is to consider 'measures necessary to solve the economic and financial difficulties which are responsible for and may prolong the present world crisis.' More specifically, the conference is to 'deal with monetary and credit policy, exchange difficulties, level of prices, the movement of capital, improved conditions of production and interchange, with particular reference to tariff policy.' It is understood that the program does not include war debts and reparations, tariff rates, and immigration restrictions and quotas. Europeans have developed an astounding faith in internationally concerted action....There are two ways of running an international conference, both of which have advantages and defects. The one plan aims to secure a unanimous report, which means that the points are likely to be few on which unanimous recommendations may be secured. Large questions of policy can hardly be settled by unanimous agreement on the part of delegates coming from many countries. The second plan of conducting an international conference is to secure the widest latitude of examination and discussion without trying to obtain unanimity in resolutions. The danger of such a plan is that the conference may become a debating society. Old questions, such as protection versus free trade, permit of one kind of treatment, but new questions do not....The proposed conference implies recognition of the failure of previous attempts at solution of pressing difficulties. The conference of 1927 was devoted largely to consideration of agriculture and commerce in goods. Since then, monetary problems have developed to ominous proportions. The League of Nations has given special attention



to the gold question, but apparently without satisfaction to the contending proponents of opposing views. Just as the selection of London as the meeting place for the new conference implies recognition of the limitations of Geneva, so the prominence being accorded to the advance preparations devoted to the monetary problem may be taken to imply a recognition of limitations of the League of Nations...."

Farm Advertising      An editorial in Printers' Ink for December 29 says: "Back of the news that an advertising drive by General Mills had sold 2,000,000 angel cakes in one week, are some interesting facts for the farmer. James F. Bell, president of the company, said, 'The success of this plan is another proof that the American market is the best market for the American farmer. A large increase in the consumption of basic farm products, eggs, sugar and wheat, was accomplished in one week through this effort.' The amazing figures of 26,000,000 extra eggs, 1,500,000 pounds of sugar and 531,000 pounds of flour, are all definitely traced to the advertising by General Mills of its Betty Crocker thirteen-egg cake during one week in November. The incident offers another example in the long line of facts to prove the great potential resources of the home market for farmers and how big a job intensive advertising can do for the farmer. For many years the pick of the tomato crop in a large portion of southern New Jersey and its vicinity has been contracted for and sold in advance because of the consistent and extensive advertising of Campbell's Soup, which, in a true sense, acts as a sales agent for a great number of tomato growers. The company has developed a better type of tomato, helped farmers grow this better product....Not only are the great national advertisers thus the builders of new and broader markets for farmers, but the smaller sectional advertiser performs a similar function, just as important. A case in point is Laird and Company of Eatontown, N.J. In the cider business for three generations, this concern decided to bring out a new package (jug in the shape of an apple) and advertise it in the territory. Sales jumped 660 per cent and the company secured a higher price for the newly packaged product. Moreover the advertising lengthened the cider season by three months in the locality, and the farmers' market for apples was also lengthened, made more profitable. In many a section, in many a line of industry, advertising by a maker of a finished product has vastly helped the farmer--producer of the raw materials. When farm organizations and Government officials give renewed attention to the basic farm problem, the proved influence of advertising to secure new and broader markets for farm products, should surely come in for careful consideration."

Industrial Output      An editorial in The Wall St. Journal for January 7 says: "...A recent announcement by the Bureau of the Census should stimulate our legislators to such a study of business conditions. In the period between the end of 1929 and that of 1931 the value of industrial output in the United States declined 41.3 per cent. To say that there have been hard times since 1929 would not be news, but to have it brought home to us

that in two years the value of manufacturing output had fallen over 41 per cent is astounding. Value of manufactured products in 1929 was \$70,434,863,000 and in 1931 it was only \$41,333,109,000 a drop of over \$29,000,000,000. That does not tell the whole story, for in the same period agriculture lost practically the same percentage, its gross income in 1929 being \$11,911,000,000 and \$6,290,000,000 in 1931. Through 1932 there was a decline in the industrial and agricultural price index and volume so the output for that year was less even than in 1931. One has to do but a little more figuring to see how forbidding is the situation. The Census Bureau figures show that in 1929 manufacturers paid \$38,550,000,000 for raw materials, containers for products, fuel and electricity and but \$21,420,000,000 in 1931, a difference of 44.4 per cent. Then too, in 1931 there were 17.5 per cent less industrial establishments in operation employing 26.3 per cent less wage earners with a loss of 37.5 per cent in wage payrolls. That completes the picture so far as the census gives it, but one can go on and figure the loss to transportation which is one of the greatest employers of labor and purchaser of important products like steel and coal; then carry the figuring to banks, merchants and other forms of business intimately connected with industry, and it will be seen how the country is losing billions of dollars every year, with consequent misery. In the circumstances, would it not be advisable to lay aside discussions of the legality of the war debts and the immorality of debtors in refusing to pay, get down to seeking the reasons for this catastrophic drop in the value of both industrial and agricultural outputs, and then take measures to remove them?"

Langmuir on      The most sensitive method yet devised by science for  
Atoms'      detecting the presence of atoms and measuring their speed and  
Force      charge is explained by Dr. Irving Langmuir, winner of the 1932  
Nobel Prize in chemistry, and assistant director of the General  
Electric Research Laboratories, in the first issue of The Journal  
of Chemical Physics, a new publication of the American Institute  
of Physics. Dr. Langmuir's article tells of his latest discoveries in two-dimensional surface chemistry, known as adsorption, a previously unexplored and unknown chemical domain which he investigated and mapped during the last twenty years, chiefly by the study of the effect of tiny amounts of gases and metal vapors in the vacuums of electric light bulbs. For his discoveries in this new field of science he received the Nobel Prize. His researches have saved the American public \$365,000,000 a year in its electric light bill and have given the world much-needed knowledge about the lubricating qualities of oil. . . .

Wholesale      The Bureau of Labor Statistics of the U. S. Depart-  
Prices      ment of Labor announces that its index number of wholesale  
prices for the week ending December 31 stands at 62.2 as compared with 62.5 for the week ending December 24 showing a decrease of approximately 1/2 of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.



World Cotton Consumption - The New York Cotton Exchange Service announced December 27 that world consumption of cotton in November approximated 1,159,000 bales, compared with 1,168,000 in October. The decline of less than 1 per cent compared with an average drop of 2.3 per cent from 1925 to 1931, inclusive, but, the announcement said, "this should not be construed as indicating necessarily that world consumption declined less than seasonally from October to November, since the number of working days in October this year was less than usual, while the number in November was more than usual." (Press, Dec. 28.)

### Section 3 MARKET QUOTATIONS

Farm Products Jan. 9.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.25 to \$7.25; cows, good \$2.75 to \$3.25; heifers (550-750 lbs.) good and choice \$4.50 to \$6; vealers, good and choice \$4 to \$6; feeder and stocker cattle, steers, good and choice \$4 to \$5.50. Hogs: 160-200 lbs. good and choice \$3.10 to \$3.25; 200-250 lbs. good and choice \$3 to \$3.25; 250-350 lbs. good and choice \$2.65 to \$3.05; slaughter pigs, 100-130 lbs. good and choice \$2.75 to \$3.10. Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$6.50.

Grain: No.1 dark northern spring wheat,\* Minneapolis 48  $1\frac{1}{8}\phi$  to 49  $1\frac{1}{8}\phi$ ; No.1 northern spring,\* Minneapolis 47  $1\frac{1}{8}\phi$  to 48  $1\frac{1}{8}\phi$ ; No.1 hard winter,\* Kansas City 43  $1\frac{1}{2}\phi$  to 44  $1\frac{1}{2}\phi$ ; No.2 hard winter,\* Kansas City 43 $\phi$  to 44 $\phi$ ; Chicago 49 $\phi$ ; St. Louis 50 $\phi$ ; No.1 soft red winter, St. Louis 50 $\frac{1}{2}\phi$ ; No.2 soft red winter, Kansas City 45 $\frac{1}{2}\phi$ ; Chicago 51 $\frac{1}{2}\phi$  to 51 $\frac{1}{2}\phi$ ; St. Louis 50 $\phi$  (Nom.); No.1 W. Wh., Portland 40 $\phi$ ; No.2 amber durum,\* Minneapolis 41 $\frac{1}{2}$  to 44 $\frac{1}{2}\phi$ ; No.1 durum, Duluth 45 $\frac{1}{4}$  to 47 $\frac{1}{4}\phi$ ; No.2 rye, Minneapolis 31 $\frac{1}{4}$  to 33 $\frac{1}{4}\phi$ ; No.2 mixed corn, Minneapolis 19 $\phi$  to 20 $\phi$ ; Kansas City 22 $\frac{1}{2}\phi$  to 23 $\phi$ ; Chicago 24 $\frac{1}{2}\phi$ ; St. Louis 23 $\frac{1}{2}\phi$  (Nom.); No.2 white, Kansas City, 23 $\phi$  to 23 $\frac{1}{2}\phi$ ; St. Louis 24 $\frac{1}{2}\phi$ ; No.2 yellow, Minneapolis 23 $\phi$  to 23 $\frac{1}{2}\phi$ ; Kansas City 23 $\phi$  to 23 $\frac{1}{2}\phi$ ; Chicago 26 $\phi$  (Old); St. Louis 25 $\phi$  to 25 $\frac{1}{2}\phi$ ; No.3 yellow, Minneapolis 21 $\frac{1}{2}$  to 22 $\phi$ ; Kansas City 22 $\frac{1}{2}\phi$  to 23 $\phi$ ; Chicago 23 $\frac{3}{4}\phi$  to 24 $\frac{1}{2}\phi$  (New); St. Louis 23 $\frac{1}{2}\phi$  to 24 $\phi$ ; No.2 white oats, Minneapolis 14 $\frac{3}{4}$  to 15 $\frac{1}{4}\phi$ ; Kansas City 17 $\phi$  to 18 $\frac{1}{2}\phi$ ; Chicago 17 $\phi$ ; St. Louis 18 $\phi$  (Nom.); No.3 white, Minneapolis 14 to 14 $\frac{1}{2}\phi$ ; Kansas City 15 $\frac{1}{2}\phi$  to 17 $\phi$ ; Chicago 16 $\frac{3}{4}$  to 17 $\phi$ ; St. Louis 17 $\frac{1}{2}\phi$ ; Special No.2 barley, Minneapolis 27 $\phi$  to 28 $\phi$ ; Kansas City 23 $\frac{1}{2}\phi$ ; Chicago 34 $\phi$  to 36 $\phi$ ; No.1 flaxseed, Minneapolis \$1.12 $\frac{1}{4}$  to \$1.17 $\frac{1}{4}$ .

\*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes brought \$1-\$1.20 in eastern markets; 53¢-55¢ f.o.b. Presque Isle. New York sacked Round Whites 95¢-\$1.05 in city markets; 68¢-71½¢ f.o.b. Rochester. Wisconsin sacked stock 70¢-75¢ carlot sales in Chicago; 50¢-52¢ f.o.b. Waupaca. New York and midwestern yellow varieties of onions ranged 30¢-60¢ per 50-pound sacks in consuming centers; 30¢-35¢ f.o.b. Rochester and 25¢-28¢ f.o.b. West Michigan. New York Danish type cabbage \$10-\$13 bulk per ton in terminal markets; \$5-\$6 f.o.b. Rochester. Wisconsin stock \$14-\$15 in St. Louis; \$6.25-\$6.50 f.o.b. Racine. Texas Round Type \$1.50-\$1.75 per western lettuce crate in Chicago; 55¢-65¢ f.o.b. Lower Valley Points. Florida Pointed type 90¢-\$1.25 in city markets per 1½-bushel hampers. New York McIntosh apples, No.1, 2½ inches, \$1.10-\$1.25; Rhode Island Greenings 60¢-90¢; Wealthys 85¢; Hubbardstons 68¢ and Wageners 75¢ per bushel tub in New York City; Rhode Island Greenings 75¢ f.o.b. Rochester.

Average price of Middling spot cotton in nine designated markets (New Orleans, holiday) advanced 3 points to 6.05¢ per lb. On the corresponding day last year the average of the same markets stood at 6¢. January future contracts on the New York Cotton Exchange advanced 5 points to 6.16¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 22¢; 91 score, 21¾¢; 90 score, 21½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12¾¢ to 13½¢; Young Americas, 13 to 13¾¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 35½¢ to 36¢; Standards, 34½¢ to 35¢; Rehandled Receipts, 33½¢ to 34¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 8

Section 1

January 11, 1933.

**THE PRESIDENT** A Richmond, Va., dispatch today states that President DEEDS CAMP TO Hoover's Rapidan Camp has been donated to the Commonwealth by the VIRGINIA President, who expressed the wish that it be made a part of the proposed Shenandoah National Park, available for the use of his successors. Announcement of the donation was made yesterday by William E. Carson, chairman of the Virginia Conservation and Development Commission, to whom as trustee the deed was made.

**THE FARM BILL** After a debate on the floor of the House yesterday, opponents of the parity farm relief bill contended last night that its fate was in doubt, according to the press. A rush of amendments "inimical to its principle and program" developed as soon as the Jones measure reached the reading stage.

**GLASS BANKING BILL** After a day given over to delay tactics by Senator Long of Louisiana, the Glass bank reform bill was laid aside temporarily by the Senate yesterday to permit consideration of the first deficiency appropriation bill. (Press, Jan. 11.)

**THE WORLD CONFERENCE** Participation of the United States in the proposed world monetary and economic conference was discussed by the House foreign affairs committee yesterday. James G. Rogers, Assistant Secretary of State, appeared before the group to support President Hoover's request for an appropriation of \$150,000 to pay the expenses of a United States delegation. (Press, Jan. 11.)

**ARKANSAS FORECLOSURE HOLIDAY** A Little Rock, Ark., dispatch today states that a two-year suspension of farm mortgage foreclosures was proposed in both houses of the Arkansas Legislature at its second day's session yesterday. The report says: "The Senate received a bill which would declare a moratorium during this year and next on foreclosure of mortgages on homesteads, and the House adopted a concurrent resolution calling upon chancellors of the State not to grant decrees of foreclosure for a period of two years or longer."

**RUSSIA TO SLOW TEMPO** A Moscow dispatch today says: "The first two and a half years of Soviet Russia's second Five-Year Plan are to form a 'breathing period,' during which the country will consolidate its gains, master the technique of its new factories and increase the stocks of consumers' goods, Josef V. Stalin indicated in his first public speech in eighteen months....."



## Section 2

**Building Operations**      The estimated cost of building operations, including alterations and repairs, in November amounted to \$38,562,330, an increase of 18.3 per cent, but was 48.2 per cent under the total for the corresponding month of 1931, the Labor Department announced yesterday. Its compilation was based on building permits issued during the month in 350 cities of 25,000 or more population. Indicated expenditures for new residential building decreased 26.4 per cent, comparing November with October, but now non-residential buildings showed an increase of 72.9 per cent in indicated expenditures. This increase was largely due to costs of public buildings. There was a decrease of 34.5 per cent in indicated expenditures for additions, alterations and repairs. Comparing November permits with October permits, total construction increased in four geographic divisions and decreased in three. The highest increase was shown in the Mountain and Pacific States. (Press, Jan. 9.)

**Industrial Progress**      Uninterrupted development of research, invention and labor-saving devices as means to improving production and creating new needs and industries with enlarged employment opportunities is the road out of the depression toward a new prosperity, according to the views of 150 leaders of American life in the fields of research, industry, engineering, economics, education and finance, made public yesterday by Alfred P. Sloan, jr., president of General Motors Corporation, according to the press today. The report says: "These views, contrary to those expressed in some quarters, notably advocates of technocracy, were contained in telegrams addressed to Mr. Sloan in response to an inquiry from him. He announced that his own corporation would follow the principle of improved production methods and that its research appropriation for 1933 would be larger than at any time in its history. Mr. Sloan said he hoped that American industry as a whole would follow this example...."

**"Kent" Subsidy Plan**      The New York Times of January 10 says: "The 'Kent' plan for the revival of employment through the subsidizing of private industry was suggested January 9 to the subcommittee of the Senate committee on manufactures by Charles A. Miller, president of the Reconstruction Finance Corporation, as the best plan so far suggested as a solution of the unemployment problem. Mr. Miller explained that he was not speaking for the Reconstruction Finance Corporation....Under the 'Kent plan,' business would be encouraged to resume normal activities, the Government guaranteeing it against loss. Mr. Miller was testifying at the hearing on the La Follette-Costigan \$500,000,000 unemployment relief bill...."

The author of the "Kent plan," advocated by C. A. Miller, is Fred I. Kent, a director of the Bankers Trust Company, New York.

An editorial in The New York Times for January 10 says: "A plan to guarantee certain industries against loss if they would resume normal production was advocated before a

Senate committee yesterday. The financial argument was rather hazy. There was considerable force, however, in what may be called the moral argument. It is, in effect, that it is better to supply the unemployed with work than to give them grants in aid....One of the evil effects of the 'dole' in England has been an impairment of the desire to live by working. Since the war, it is admitted that a large number of young men and women have become habituated to the idea that it is not necessary to learn a trade or acquire a special skill or seek too hard for employment, since the insurance fund, supplemented by votes of money by Parliament, will at least give them enough to keep them alive. The recent stiffening up of the so-called 'means test' in Great Britain was aimed directly at this class of the unemployed. Mr. Miller, while he held that this particular danger had not become alarming in the United States as yet, feared that it might if relief did not more often take the form of providing work...."

Men and  
Machines

Financial Chronicle for January 7 says: "...Before the idea of technocracy was launched, probably about the same time though without knowledgeable concurrence, a bishop of the Anglican Church fervently urged the industrial leaders of Great Britain that the world stood in need of a 10-year holiday in invention and science....The good bishop thinks it reasonable to believe that industrial, price and employment stability threatens to be overthrown by the application to industry of the innumerable marvels of the scientist and inventor. The technocrats also believe that new inventions bring in their wake the same class of evils, together with others of greater magnitude. Technological unemployment is new only in name. It has existed in fact ever since the invention of the axe, the saw, the spade, and the potter's wheel. The pace of unemployment due to obsolescence of tools is no greater now than it was in the most ancient times. The fact that now our instruments are for the most part power-driven machine tools does not alter the situation....The technocrats tell us, pointing to the fact as a horrible example, that one man in Detroit, by the easy manipulation of a mechanical device, loads thousands of chassis on to flat cars, whereas but for the invention of this mechanical lifter, or derrick, or whatever it may be called, perhaps many hundreds of men might find employment in accomplishing the task. They overlook the fact that millions of automobiles are in use, giving employment to armies of men in the relatively new occupation of chauffeur and providing enormous numbers of workers with a means of livelihood in the service of these machines... There is evil in everything that a man uses or produces, but he puts it there. There is beneficence in all that a man uses or produces when he puts it there. The products of his mind or of his hand are insentient and completely indifferent to the uses to which they are applied. For our present unemployment problems invention and industrial management can not be blamed....We can not blame our machines for unemployment. There is no danger in the obsolescence created by inventive genius... Every single thing of use that we know anything about from the



beginning of time was the product of some one free mind, working unhampered in thought by any form of guidance except such influences and guiding forces as the late Thomas A. Edison said proceeded 'from out of space.' Employment is greatest in any society where invention flourishes and wealth is most abundant and secure...."

Nitrate  
Problems

An A.P. dispatch today from New York, says: "A report stating that the 'only salvation' of Chile's nitrate industry lies in 'destruction' of the American synthetic nitrate industry was issued January 8 by the Chemical Foundation, Inc. The report was written by J. Enrique Zanetti, professor of chemistry at Columbia University, who was employed by the Chemical Foundation to investigate nitrates and who visited Chile last year in this capacity....American synthetic nitrogen plants, says Prof. Zanetti, now have an annual production capacity of 518,600 tons of nitrogen, 'which is far in excess of our normal peace-time consumption, placed at 370,000 tons.' Cosach, he says, at the present price of \$21 a ton in the United States, is selling its nitrates at a 'loss of at least \$6 a ton.' He adds that there are now 3,000,000 tons of Chilean nitrates unsold, two-thirds in storage in Chile, the remainder in other countries, chiefly England. On a fair basis of competition,' he says of the American industry, 'the synthetic nitrogen industry can more than cope with the Chilean industry. The synthetic industry has lowered the cost of nitrogen to the farmer beyond what he might have reasonably hoped ten years ago. The Chilean industry's only salvation lies in the destruction of our fixed nitrogen industry and we may expect every effort in that direction by outright dumping in our market. With the 3,000,000 tons of stocks shut out from all countries except our own and Egypt, which takes only about 200,000 tons a year, this dumping could proceed long enough to spell disaster to our industry....'"

Technocracy

Thomas F. Woodlock, writing on "Technocracy" in The Wall St. Journal for January 6, says: "In view of the wordy battle raging over 'Technocracy,' it is well to keep clearly in mind what it is all about and what significance it may have. It is as easily possible to overrate as it is to underrate that significance, which depends entirely upon the 'quantitativeness' of certain ascertained facts and the deductions therefrom legitimately drawn, as to the probabilities in the relatively near future. Thus far we--the general body of 'lay' public--have had presented to us little more than a general statement to the effect that the facts are very important and that the consequences arising from the inherent probabilities of these facts are portentous in their bearing upon the present social structure. Summed up, these facts are said to indicate that the very recent acceleration in the rate of development of automatic or semi-automatic machinery threatens to displace human labor from production much faster than it can be taken up in new forms of industry, and that the problem thus created brings into question



the system of money 'profits' and 'money wages' by which the civilized world has hitherto managed its economic relations. Maybe this is true and maybe it is not true. The first question to determine is that of fact. We have been developing labor-saving machinery for a century and a half and up to some ten years ago we had managed to keep everyone employed--or nearly so. Obviously, up to that time, at all events, the balance had not been greatly disturbed as between man and machine. So much is indisputable. Now the question is--how great an acceleration has recently taken place in that development, how great is the present acceleration and what are the probabilities of its further continuance? To that question a reasonably definite answer should be possible. We are told that some 3,000 commodities have been studied from this point of view and that charts have been prepared upon which 'curves' are plotted showing the progress of 'man-hour' displacement from the product-units in the case of each commodity. Presumably this information could be combined, properly weighted, and the result shown upon a master-chart which would give us the 'curve' of the machine as a whole in relation to human labor as a whole in the past few years. From that 'curve' some general conclusion might perhaps be drawn as to the degree of change in the man-machine relation with which we may have to deal..."

### Section 3 MARKET QUOTATIONS

Farm Jan. 10.--Grain: No.1 dark northern spring\* Minneapolis Products 51 to 53¢; No.1 northern spring\* Minneapolis 50 to 52¢; No.1 hard winter\* Kansas City 43 to 44¢; No.2 hard winter\* Kansas City 42 1/2 to 43 1/4¢; Chicago 49¢; St. Louis 50 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 44 1/2¢; St. Louis 50 1/2¢; No.1 W. Wh. Portland 42¢; No.2 Am. Dur.\* 44 5/8 to 47 5/8¢; No.1 Durum (Duluth) 48 5/8 to 50 5/8¢; No.2 rye Minneapolis 33 1/4 to 35 1/4¢; No.2 mixed corn Minneapolis 19 1/2 to 20 1/2¢; Kansas City 22 to 22 3/4¢; Chicago 24 1/4¢; St. Louis 24 to 24 1/2¢ (Nom.); No.2 white corn Kansas City 22 1/2 to 23¢; St. Louis 24 1/2¢ (Nom.); No.2 yellow corn Minneapolis 23 1/2 to 24¢; Kansas City 22 1/2 to 23¢; Chicago 25¢ (Nom.); St. Louis 25 to 25 1/2¢; No.3 yellow corn Minneapolis 22 to 22 1/2¢; Kansas City 21 1/2 to 22¢; Chicago 23 3/4 to 24 1/4¢; St. Louis 23 1/4 to 24¢; No.2 white oats Minneapolis 15 1/8 to 15 5/8¢; Kansas City 18 1/2¢; Chicago 17 to 17 1/4¢; St. Louis 17 3/4¢; No.3 white oats Minneapolis 14 3/8 to 14 7/8¢; Kansas City 15 1/2 to 17¢ (Nom.); Chicago 16 3/4 to 17¢; St. Louis 17 1/4 (Nom.); Special No.2 barley Minneapolis 26 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.14 to \$1.19.

Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.25 to \$7.25; cows, good \$2.75 to \$3.25; heifers (550-750 lbs.) good and choice \$4.75 to \$6.25; vealers, good and choice \$4 to \$6; feeder and stocker cattle; steers, good and choice \$4 to \$5.50; hogs, 160-200 lbs. good and choice \$3.10 to \$3.20; 200-250 lbs. good and choice \$2.90 to \$3.20; 250-350 lbs. good and choice \$2.60 to \$2.95; slaughter

\*Prices basis ordinary protein.

pigs, 100-130 lbs. good and choice \$2.60 to \$3; slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$5.75 to \$6.35.

Wholesale prices of fresh creamery butter at New York were: 92 score, 21¢; 91 score, 20 $\frac{3}{4}$ ¢; 90 score, 20 $\frac{1}{2}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12 $\frac{3}{4}$  to 13 $\frac{1}{4}$ ¢; Young Americas, 13 to 13 $\frac{1}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 35 to 35 $\frac{1}{2}$ ¢; Standards, 34 to 34 $\frac{1}{2}$ ¢; Rehandled Receipts, 33 to 33 $\frac{1}{4}$ ¢.

Average price of Middling spot cotton in the ten designated markets advanced 17 points to 6.22¢ compared with average of nine markets January 9 of 6.05¢. (Holiday in New Orleans.) On the corresponding day one year ago the price stood at 6.04¢ average of ten markets. January future contracts on the New York Cotton Exchange advanced 9 points to 6.25¢. New Orleans January future contracts closed at 6.28¢.

Maine sacked Green Mountain potatoes \$1-\$1.25 per 100 pounds in eastern cities; 53¢-55¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-75¢ carlot sales in Chicago; 50¢-53¢ f.o.b. Waupaca. New York Danish type cabbage \$10-\$13 bulk per ton in terminal markets; \$5-\$5.50 f.o.b. Rochester. Wisconsin stock \$14-\$15 in St. Louis. Texas Round and Flat type \$1.50-\$1.65 per western lettuce crate in Chicago; 50¢-65¢ f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions brought 30¢-60¢ per 50-pound sacks in consuming centers; 30¢-35¢ f.o.b. Rochester; 25¢-27 $\frac{1}{2}$ ¢ f.o.b. West Michigan points. New York Rhode Island Greening apples, No.1, 2 $\frac{1}{2}$  inches, 70¢-75 $\frac{1}{2}$ ¢, and McIntosh \$1.12 $\frac{1}{2}$  per bushel tub in New York City; Rhode Island Greenings 66 $\frac{1}{2}$ ¢-75¢ f.o.b. Rochester. Delaware and Maryland Jersey type sweet potatoes 50¢-85¢ per bushel tub in eastern city markets. Tennessee Nancy Halls in bushel hampers 60¢-65¢ in Chicago.. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVIII, No. 9

Section 1

January 12, 1933.

**THE PRESIDENT** President Hoover, in a special message to Congress yesterday, asked for immediate revision of the bankruptcy laws so that imminent bankrupts, including individuals, corporations and railroads, could ask the Federal courts for permission to readjust their affairs with their creditors.

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**FARM LEGISLATION** Advocates of the pending farm relief bill showed greater strength in the House yesterday than they have yet displayed, rallying their forces to defeat the two pending motions which would have beaten the measure and advancing its progress with only minor changes, says the press today. A final vote is expected today.

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**ECONOMIC CONFERENCE** The House foreign affairs committee yesterday approved the McReynolds resolution to authorize \$150,000 for the American participation in the World Economic Conference this spring.

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**R.F.C. DATA** The Reconstruction Finance Corporation notified Representative Howard of Nebraska January 7 that it would be glad to supply the House with detailed information on its February-June loans, as requested in the resolution he introduced and the House adopted January 6, according to the press of January 8. The requested information was to cover all loans and commitments made by the corporation from its establishment in February, 1932, through June, with the names and addresses of the borrowers, whether actual or prospective, the amounts involved in each, and the purpose for which each loan or commitment was made or intended to be made.

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**SCRIP MONEY AT ST. PAUL** A St. Paul, Minn., dispatch today reports: "Issuance of scrip money by the city and county for relief of unemployment was approved yesterday by the city council, which also ordered an investigation of the plan's legality. Under the proposal of Mayor William A. Mahoney, the certificates would be issued against a \$100,000 reserve fund to be set up by the board of public welfare. They would be used to pay workers on projects inaugurated to provide jobs for the unemployed. To each \$1 certificate a 2-cent special stamp would be added weekly by the holder. At the end of the year the certificate, with \$1.04 in stamps attached, would be redeemed by the welfare board for \$1 in currency."

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**TOBACCO PRICE** A Knoxville, Tenn., dispatch today states that prices for burley tobacco on the Knoxville market reached a new high for the season yesterday when 238,740 pounds sold for an average of \$18.20 a hundred pounds.

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## Section 2

## Banking

An editorial in The Wall St. Journal for January 11 says: "Albert H. Wiggin's valedictory as chairman of the Chase National Bank is an utterance to which the term statesmanlike may be applied in its best sense....Perhaps most arresting of Mr. Wiggin's declarations are those bearing upon the provisions of the Glass bill, now pending in the Senate. Beyond a doubt he speaks more than a merely individual banker's opinion when he welcomes numerous of the Virginia veteran's proposals for a closer governmental supervision of banking practices. He insists, as thinking men in or out of the banking field must admit, that good banking depends upon the application of trained judgment to individual transactions and not upon statutory regulation, but he does not use this wise perception as ground upon which to base an implacable opposition to every attempt to improve the Federal bank act....In the delicate matter of branch banking Mr. Wiggin advocates even more caution in letting down the bars than that of the Glass bill. He is for county-wide branches, supplemented by the same power of further expansion that State banks have in the State in which the national bank is domiciled. The Glass bill would allow not only state-wide branch banking but also branches within a 50-mile radius of the home bank with the approval of the Federal Reserve Board; the Vandenberg amendment, accepted by Senator Glass, would limit acquisition of branches to the taking-over of existing banks, except in a city, town or village where no bank exists. A compromise of these and other divergent views toward a safe and wholesome integration of our present disorderly banking structure, necessarily experimental at the outset, should no longer offer insurmountable obstacles...."

British  
Cattle  
Production

An editorial in Country Life (London) for December 31 says: "...At this time of year all of us can realize, if we go to one of the great fat-stock shows, the extent to which our breeders have mastered the arts of beef production. But we can not and must not forget that our specialized beef breeds do not make anything like such a show as our dairy cattle. The fall in both beef and milk prices has forced the dairy farmer--who a few years ago was content to carry a herd of dual-purpose cattle--to specialize more and more on animals whose chief merit is the capacity for producing almost unlimited yields of milk. The 'dual purpose' has been largely forgotten. Cattle feeders have found it increasingly difficult to secure suitable animals for feeding purposes, and it has been necessary in all parts of the Kingdom to introduce legislation to get rid of 'scrub' sires and improve the store cattle available for feeding for beef. By the time this issue of Country Life appears the Report of the Milk Commission will probably be published. It will, if one may venture on a reasonable prophecy, probably recommend the formation of a milk board, which will be a trading body empowered to make contracts with farmers, distributors and milk factories, and able to guarantee markets to farmers who can not find them for themselves....What it needs is rational, if novel, organization. Limitations on imports of foreign meat are not of

themselves sufficient. We must have in future the closest possible cooperation and understanding between producers and consumers, and this is one of the things which we look to the new Commission to bring about....Unfortunately the whole process of production and marketing of fat cattle in this country does not compare any too favorably with the similar process in rival countries. Its shortcomings and practical suggestions for their remedy formed the subject of Professor Bridges' recent article on Beef Production and Marketing. Of the million store cattle fattened in England and Wales, some 700,000 are bred in Ireland or the West Country. Local dealers collect stock from the farms or buy small lots of cattle at local fairs. They are then sent on to half-way markets, then to the Midland and Eastern markets, where they are bought by the feeders. Altogether it has been estimated that there is a leakage of two or three pounds a head between the rearer and the feeder, and auctioneers and slaughtering costs add still more to the price of the meat before it leaves the hands of the butcher. It is not to be supposed that the Fat-Stock Commission will recommend any large-scale revolution in the industry, possible and beneficial though this would be...."

Family  
Size De-  
creasing

Although the family unit has diminished steadily in size in the United States since 1890 and now occupies a greatly changed place in the life of our people, it is still an important factor whose significance is frequently overlooked, the statistical department of the National Industrial Conference Board declares in the current issue of the board's bulletin. The department has summarized the latest information concerning the average American family issued by the United States Census Bureau. "In the census of 1890," says the board, "the family unit consisted of 4.93 persons. The census of 1930 gives the number as 4.10 persons. The comparison is based upon the official definition of a 'family,' which is broad enough to cover the entire population and includes 'households' ranging from the cabin of the lone trapper or squatter to the vast hotels of our cities and to institutions of all kinds, each of which constitutes a family unit for census purposes. The Bureau of the Census has computed from the enumeration of 1930 the size of the private family, eliminating residents of hotels and institutions, but including lodgers and resident servants, and found it to be 4.01. A similar distinction made in 1900 found the average size of the private family to be 4.60 persons. In the latest census a further step was taken by eliminating all persons except those related in some way--by blood, by marriage or by adoption. The average number of persons in a family thus defined was found to be 3.81. In making comparison of different races and localities, the Census Bureau uses the middle-sized family, which for the country at large is 3.40." The board's statisticians found that the largest group of families was that comprising two persons.



Mineralized Milk      An editorial in The Journal of the American Medical Association for December 31 says: "A popular American textbook on dietotherapy ventures the statement that 'milk has never been accorded adequate place in the American dietary.' Aside from the high quality of its proteins, its richness in mineral elements and certain vitamins, and the usual ready utilization of its unique carbohydrate and fats, there are other factors of moment in dietetics. Milk can be rendered safer for general use by effective pasteurization without serious impairment of its nutritive value. Finally, milk has numerous culinary uses that make it a valued adjunct to cookery. Today, no one versed in the science of nutrition ventures, as did writers of somewhat earlier days, to designate milk as a 'perfect food,' however indispensable it may seem to be in early life. Sherman has circumspectly designated it as 'the most efficient of all foods in making good the deficiencies of grains and in insuring the all-around adequacy of the diet.' Some authors compromise by calling milk the 'most nearly perfect food.'...The quantities of the elements that insure the described nutritional advantages are seemingly insignificant. They were represented by approximately 17 mg. of iron, 0.17 mg. of copper and 0.13 mg. of manganese per liter of milk. The available facts of experiment are still too scanty to warrant the mineralization of milk for universal human consumption. Much remains to be learned and to be tested. A record of scientific progress is by no means a license to practical application. This warning needs to be uttered at a time when the consumer of milk is confronted with the possibilities of clarified, pasteurized and homogenized milk, irradiated milk, acidified milk, evaporated milk and dried milk; and with milk supplemented with iodine, iron, copper and manganese as well as a variety of vitamins. Even the cow is now being called on to 'improve' her milk through the enforced intake of special rations. An older food chemist once designated this as 'adulteration with the connivance of the cow.'"

Research Committee Report      An editorial entitled "New Patterns" in The Business Week for January 11 says: "How vast, how fundamental have been the changes in American life, how sweeping they will be henceforth, never has been driven home so forcefully as in the two thick volumes just published under the colorless title of 'Recent Social Trends'--the report of 500 investigators named by the President in 1929. Consider a few samples of subjects here treated, and their implications to business: We are approaching a stationary population much faster than is generally supposed. Before the end of the century, at 145 to 190 millions, we shall have ceased our growth. We can no longer plan, then, on the basis of ever-expanding markets--unless we eternally expand the purchasing power of this stationary population. And our average age already is higher; will go on rising. What does that mean in designing consumer goods? In employment policies? In provision for care of the aged? Inventions multiply; 'there is no reason to think that technological development will



ever stop. On the contrary, there is every reason to expect that more new inventions will be made in the future than in the past.' The machine becomes more and more important. Society is slow in adjusting itself to this fact. There are serious adjustments to be made....The broad problem is, 'How can society improve its economic organization so as to make a full use of the possibilities held out by the march of science, invention, and engineering skill, without victimizing many of its workers, and without incurring such general disasters as the depression of 1930-1932?' Economic planning? The reporting committee thinks this phrase 'a social need rather than a social capacity.'..."

### Section 3 MARKET QUOTATIONS

Farm Products Jan. 11.--Grain: No.1 dark northern spring\* Minneapolis 50 5/8 to 52 5/8¢; No.1 northern spring\* Minneapolis 49 5/8 to 51 5/8¢; No.1 hard winter\* Kansas City 45 1/2 to 46¢; No.2 hard winter\* Kansas City 45 to 45 1/2¢; Chicago 50 3/4¢; St. Louis 52¢ (Nom.); No. 1 S.R. Winter St. Louis 52 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 46 3/4 ¢; St. Louis 52¢ (Nom.); No.1 W. Wh. Portland 41 1/2¢; No.2 Am. Dur.\* Minneapolis 44 1/4 to 47 1/4¢; No.1 Durum (Duluth) 48 1/4 to 50 1/4¢; No.2 rye Minneapolis 33 to 35¢; No.2 mixed corn Minneapolis 19 1/2 to 20 1/2¢; Kansas City 22 3/4 to 23 1/4¢; Chicago 25¢ (Nom.); St. Louis 25 to 25 1/2¢ (Nom.); No.2 white corn Kansas City 23 to 23 1/2¢; St. Louis 25 to 25 1/2¢ (Nom.); No.2 yellow corn Minneapolis 22 1/2 to 24¢; Kansas City 23 to 23 1/2¢; Chicago 25 3/4¢ (Nom.); St. Louis 26¢; No.3 yellow corn Minneapolis 22 to 22 1/2¢; Chicago 24 to 25¢; St. Louis 24 1/4 to 25¢; No.2 white oats Minneapolis 15 1/8 to 15 5/8¢; Kansas City 18 1/2¢; Chicago 17 to 17 1/4¢; St. Louis 18 1/4¢; No.3 white oats Minneapolis 14 5/8 to 15 1/8¢; Kansas City 15 1/2 to 17¢ (Nom.); Chicago 17¢; St. Louis 17 3/4¢; Special No.2 barley Minneapolis 27 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.14 1/2 to \$1.19 1/2.

Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.50 to \$7.25; cows, good and choice \$2.75 to \$3.25; heifers, (550-850 lbs.) good and choice \$4.75 to \$6.50; vealers, good and choice \$4 to \$6; feeder and stocker cattle, steers, good and choice, \$4 to \$5.50; hogs, 160-200 lbs. good and choice \$3.20 to \$3.30; 200-250 lbs. good and choice \$3.05 to \$3.30; 250-350 lbs. good and choice \$2.65 to \$3.10; slaughter pigs, 100-130 lbs. good and choice \$2.65 to \$3.10; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.75 to \$6.35.

Maine sacked Green Mountain potatoes ranged \$1-\$1.25 per 100 pounds in eastern cities; 53¢ f.o.b. Presque Isle. New York sacked Round Whites 95¢-\$1.05 in the East; 66½-71½¢ f.o.b. Rochester. Wisconsin sacked Round Whites 70¢-75¢ carlot sales

\*Prices basis ordinary protein.

in Chicago. New York and midwestern yellow varieties of onions 30¢-60¢ per 50-pound sack in consuming centers; 30¢-35¢ f.o.b. Rochester and 25¢-27½¢ f.o.b. West Michigan points. New York Danish type cabbage \$10-\$14 bulk per ton in terminal markets; \$5-\$5.50 f.o.b. Rochester. Florida Pointed type \$1-\$1.37½ per 1½-bushel hamper in the East. Texas Round Type \$1.50 per western lettuce crate in Chicago; 50¢-65¢ f.o.b. Lower Valley Points. New York McIntosh apples, No.1, 2½ inches, \$1.12½; Rhode Island Greenings 65¢-75¢ and Wealthys 75¢ per bushel tub in New York City; 70¢-75¢ f.o.b. on Rhode Island Greenings at Rochester.

Average price of Middling spot cotton in the ten designated markets declined 16 points to 6.06¢ per lb. On the corresponding day one year ago the price stood at 6.17¢. January future contracts on the New York Cotton Exchange declined 13 points to 6.12¢, and on the New Orleans Cotton Exchange declined 19 points to 6.09¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 21¢; 91 score, 20¾¢; 90 score, 20½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12¾ to 13¼¢; Young Americas, 13 to 13¼¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 31¢; Standards, 30 to 30½¢; Receipts Rehandled, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 10

Section 1

January 13, 1933.

## THE FARM BILL

The House yesterday passed the farm relief bill by a vote of 203 to 150, according to the press today. The report says: "The bill seeks to guarantee a minimum cash return to producers of wheat, cotton, tobacco, hogs, dairy products, rice and peanuts. This cash return would be a commodity's prewar ratio with industrial commodities except for opening months of operation when it would not apply to tobacco. During this initial stage these minimum prices would rule: 75 cents a bushel on wheat and rice, 9 cents a pound on cotton, 5 cents a pound on hogs, 26 cents a pound on butterfat, 3 cents a pound on peanuts. If the farmer received less, a tax sufficient to make up these prices--and later the prewar parity--would be levied on processing and distributed to him on his share of domestic consumption. Acreage and production curtailment would be required of the participating farmers. Tariffs would be boosted by the amount of the processing taxes. The cotton tax would be levied against silk and rayon. The Secretary of Agriculture would administer the plan. A presidential proclamation could make it effective for a second year."

## NEW YORK FARMS

A Rochester, N.Y., dispatch today states that figures to show that New York farms still are good investment risks, despite adverse economic conditions, were cited by E.H. Thomson, president of the Federal Land Bank of Springfield, Mass., yesterday as more than 600 growers opened the three-day annual convention of the New York State Horticultural Society. With 17,000 loans outstanding, Mr. Thomson said, his bank last year took over only 303 pieces of property, of which one-fourth represented canceled contracts on farms previously acquired. The bank, he said, realized 88 per cent of its investment, as against 82 per cent last year. More than 8,100 inquiries in the last ten months from persons wishing to buy farms indicates a strong "back-to-the farm" movement, he said.

## DOLLAR COTTON CONTENT

Considerable saving is expected to accrue to the Treasury Department in the printing of its paper money if tests of higher cotton content paper now under way are successful, according to the press today. It is planned to substitute a paper of equal linen and cotton content for the three-quarters linen and one-quarter cotton quality now in use if the worthiness of the former can be proved. Paper manufacturers have produced a test lot of the fifty-fifty brand, and after seasoning it will be made into paper currency and distributed in specific sections of the country to determine its durability.

## WORLD BANK HEAD

A Zurich, Switzerland, dispatch today states that Gates W. McCarrah, American head of the Bank for International Settlements at Basle, has decided not to accept re-election after expiration of his three-year term in March. He is expected to resume his former banking activities in the United States.



## Section 2

## Cosmic Ray

A Pasadena, Calif., dispatch to the press of January 12 says: "Cosmic rays were presented to a gathering of scientists at Pasadena January 11 as a last bit of evidence left for man of 'the birth cry of the universe.' Abbe Georges Le Maitre, professor of the University of Louvain, presented this theory in a lecture at the Mount Wilson Observatory which was attended by Dr. Albert Einstein. Abbe Le Maitre said the rays appeared to be a glance left for man of the primordial fireworks that marked the beginning of the universe 10,000,000,000 years or so ago. Dr. Einstein lauded the theory as the 'most pleasant, beautiful and satisfying interpretation' of the source of cosmic rays, saying it offered less objections and was more free from contradiction than any theory hitherto advanced. Scientists here regarded it as a spectacular development of the recent research into cosmic rays which developed cross views by Dr. Arthur Compton and Dr. Robert A. Millikan, American physicists. It seemed to reconcile their diverse views, physicists here said...."

## Cranberries

Carl R. Fellers, Ph.D., F.A.P.H.A., Massachusetts State College, writing on "Nutritive Value of Cranberries" in American Nutrition Journal of Public Health for January, says: "Aside from its esthetic values of eye and taste appeal, the cranberry is valuable in the diet chiefly for its high vitamin C, iodine, and energy values. The ash is slightly basic and contains significant amounts of potassium, phosphorus, manganese, and iron. The benzoic acid content of fresh cranberries varies from 0.035 to 0.095 per cent and quinic acid from 0.6 to 0.9 per cent. Moderate, or even generous servings of cranberry sauce do not lower the blood alkali reserve but very large quantities decrease it significantly. The conjugation of benzoic and quinic acids in the body produce urinary acidities in proportion to the amounts of cranberry ingested, though servings of 5 oz. or less of cranberry sauce produce little change in either pH or hippuric acid values. Fresh and frozen cranberries and whole-fruit jellied sauce are excellent sources of vitamin C and contain significant amounts of vitamin A as well. Vitamins B, D, and G are not present in significant amounts. The cranberry possesses considerable merit as a food and when eaten in normal quantities its wider use in the diet can be recommended."

## Men and Machines

An editorial in The Wall Street Journal for January 10 says: "What is now so loosely and mystifyingly indicated by the pretentious name technocracy can be described in simple terms: Science is steadily accelerating the substitution of machinery for manual labor. Progressive reduction of available employment constricts the markets upon which industry can dispose of the products it is prepared to turn out in increasing volume. More machinery means more capital investment to be served with returns out of the sale of the product. But the owners of capital can take only a negligible return in the form of goods for their own use of the kinds their machines produce; even if they could so satisfy their own desires the question of livelihood for

eliminated workers would remain an appalling social problem. In kind, this difficulty is as old as the use of steam and electric power and even older. What is new in it today is the rate at which the substitution of mechanical for muscular power and of inanimate complexity for manual skill proceeds. Until recently the replacement was not too rapid for new industries and services to absorb the labor released. Just at the time when acceleration of the rate of mechanization becomes troublesome, the appearance of new needs and desires which human effort can serve appears to have ceased--either temporarily because of universal dislocation of trade processes by a dozen other influences, or for some indefinite time to come. If it is true that the needs of a given population can be supplied with the adult components thereof working a much smaller fraction of their time than any shorter working day or week yet proposed, the problem is to find the means of distributing both work and products on an equitable, that is, a socially desirable, basis. But that, essentially, is the oldest of mankind's problems. No doubt it has become more acute because of the extraordinarily rapid march of invention and applied science in general; no doubt we are confusing that difficulty with the special problems of an unprecedented depression, but the terms for the division of the fruits of industry have been matter for dispute and readjustment since organized industry began...."

Russian  
Record

An editorial in The New York Times of January 11 says: "Stalin's speech makes it clear that the Five-Year Plan, officially completed in four and a quarter years on January 1, will not be followed by a second one. The first set a 'frantic' pace, in Stalin's own words. This will now be slowed down. Time out will be taken for consolidation of gains and cleaning up of odds and ends. They are very considerable, including 'giant' factories that will not work and collective farms that have brought Russia to the edge of famine. Stalin thinks that the rush, for all its cost, has been justified. The great task was to entrench the proletarian revolution in the cities against the menace of the capitalistic peasant. That aim he declares, has now been realized. Russian agriculture itself is now nearly three-quarters socialized... Since Stalin now proclaims a slower pace, it is obvious that the program will not be completed when the ten years have elapsed. Still, Communist statesmen, like others, must be allowed the privilege of not quite living up to their pledges. Of greater importance is the question how much has really been accomplished by the Five-Year Plan. Stalin asserts that it has been completed more than 93 per cent. Bolshevik statistics are a jungle at best, and now we have the added complication of terminology! What is 'completed'? Is a tractor factory completed if three years after it began operation it turns out about half the projected number of machines? Is a giant automobile factory at Nizhni-Novgorod completed if it turns out no automobiles at all? The question applies poignantly to agriculture. Stalin says that in other countries they would boast if they had built 25,000 new factories in one year. Well, Russia has created 25,000 'grain factories' in



one year--meaning collectivized farms. But what good would 25,000 factories be if they produced nothing? What good are 25,000 'grain factories' if their creation involved a war with the peasantry which has destroyed 40 per cent of the country's livestock and brought hunger on the country? Time alone can measure the extent to which the Five-Year Plan has been completed."

Salter on World Confer-  
ence                      Sir Arthur Salter, British economist, in an international broadcast from London January 8, urged the world to prepare for the coming monetary and economic conference by seeking agreements before the meeting, according to the press. Sir Arthur said in part: "One thing at least is clear, if we enter this conference without a plan we shall certainly come out of it without a remedy. The conference must be prepared, or it is bound to fail, and preparation does not mean just collecting information. It means exchanging views and discovering beforehand along what main lines agreements may be possible. I don't believe myself that we should now look for final solution. We are in a crisis, and we want to get out of it. Of course, we must get out of it by methods which would not mean a recurrence of trouble later...."

An editorial in The New York Times for January 8 says: "...Sir Arthur Salter, whose experience as Secretary of the League of Nations gave him particular opportunity for a grasp of world-wide problems, has summarized in compact form, and not unhelpfully, the influences bearing on the immediate future. He mentions three major achievements of 1932 which have definitely brightened the outlook--the successful meeting of the 'raid' on our Federal Reserve's gold, coming along with the system's 'open-market' policy; the waiving of German reparations at Lausanne, and Great Britain's highly successful conversion of 2,000,000,000 pounds internal war debt from a 5 per cent basis to one of  $3\frac{1}{2}$ . Of the first, he remarks that 'the dollar is now impregnable against the attack of any foreign holders of liquid balances.' Of the second, he believes that a settlement such as that made last summer at Lausanne, had it been adopted a few years earlier, might even have arrested the financial crisis,' but that, however belated it may have been, 'in itself it is a complete success.' Of the British loan conversion, he holds the paramount importance to be that 'it gives a lead toward general reduction of the rate of interest,' which should make possible the lightening of the burden 'of a large part, though not all, of existing indebtedness.' Sir Arthur recognizes, as all intelligent financiers have done, the many difficulties and complexities that lie ahead. But he takes reasonable courage from the tangible achievements of 1932. His general conclusion, regarding not alone the war debts but the unsettled state of currencies and prices, the burden of long-term contracts, and the restraints on international trade, is that, 'in each of these different spheres,' it may be 'that the decisive steps will be taken in the year which is now opening before us.'"



**Wool Market**      The Commercial Bulletin (Boston) says Jan. 7: "The demand for fine and fine-medium territory wools, this week has been encouraging. Manufacturers evidently have concluded that there will be a decently good demand for their product, whether or not they have received substantial orders for piece goods as yet. Sales have been at firm prices which show little or no change for the week. Medium wools have been rather quiet. The foreign markets are very firm and rather optimistic. The position of low crossbreds abroad seems to be slightly improved. The mills evidently consider the outlook as more favorable than for some time. Stocks of finished goods and of clothing are said to be very light. Interest is centered more especially on the finer qualities of goods, which can be produced relatively cheaper than the medium to low qualities."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 12.--Grain: No.1 dark northern spring\* Minneapolis 49 3/8 to 51 3/8¢; No.1 northern spring\* Minneapolis 48 3/8 to 50 3/8¢; No.1 hard winter\* Kansas City 45 1/2 to 46¢; No.2 hard winter\* Kansas City 45 to 45 1/2¢; Chicago 50 1/2¢; St. Louis 51 1/2¢; No.1 S.R. Winter St. Louis 52¢ (Nom.); No.2 S.R. Winter Kansas City 45 to 50 1/2¢ (Nom.); St. Louis 51 1/2¢; No.1 W. Wh. Portland 41¢; No.2 Am. Durum\* Minneapolis 43 3/8 to 46 3/8¢; No.1 Durum (Duluth) 47 3/8 to 49 3/8¢; No.2 rye Minneapolis 32 1/4 to 34 1/4¢; No.2 mixed corn Minneapolis 20 to 21¢; Kansas City 23 1/4 to 23 3/4¢; Chicago 25 1/2 to 26 1/2¢ (Old); St. Louis 25 1/2¢ (new); No.2 white corn Kansas City 23 1/2 to 24¢; St. Louis 25 1/2 to 26¢ (Nom.); No.2 yellow corn Minneapolis 24 to 24 1/2¢; Kansas City 23 1/2 to 24¢; Chicago 26 to 27¢ (Old); St. Louis 26 1/2¢; No.3 yellow corn Minneapolis 22 1/2 to 23¢; Kansas City 22 3/4 to 23 1/4¢; Chicago 24 1/2 to 25 1/4¢ (New); St. Louis 24 1/2 to 25¢; No.2 white oats Minneapolis 14 7/8 to 15 3/8¢; Kansas City 17 to 18 1/2¢; Chicago 17 1/4¢; St. Louis 18 1/4¢ (Nom.); No.3 white oats Minneapolis 14 3/8 to 14 7/8¢; Kansas City 15 1/2 to 17¢; St. Louis 17 3/4¢; Special No.2 barley Minneapolis 26 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.15 to \$1.20.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.50 to \$7.25; cows, good \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice \$5 to \$6.75; vealers, good and choice \$4 to \$6; feeder and stocker cattle; steers, good and choice, \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.25 to \$3.35; 200-250 lbs. good and choice \$3.05 to \$3.35; 250-350 lbs. good and choice \$2.70 to \$3.10; slaughter pigs, 100-130 lbs., good and choice, \$2.65 to \$3.10; slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.85 to \$6.40.

\*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes ranged 95¢-\$1.25 per 100 pounds in eastern cities; 53¢ f.o.b. Presque Isle. New York sacked Round Whites 95¢-\$1.05 in the East; 66½¢-70¢ f.o.b. Rochester. Wisconsin sacked stock 70¢-75¢ carlot sales in Chicago; 50¢-51½¢ f.o.b. Waupaca. New York and Midwestern sacked yellow varieties of onions brought 30¢-60¢ per 50-pound sack in consuming centers; 27¢-33¢ f.o.b. Rochester and 25¢-27½¢ f.o.b. West Michigan points. New York Danish type cabbage \$10-\$14 bulk per ton in terminal markets; \$4.50-\$6 f.o.b. Rochester. Florida Pointed type \$1-\$1.37½ per 1½-bushel hamper in the East. Texas Round type \$1.40-\$1.50 per western lettuce crate in Chicago; 50¢-65¢ f.o.b. Lower Valley points. New York McIntosh apples, No.1, 2½ inches, \$1.12½-\$1.25 and Rhode Island Greenings 65¢-75¢ per bushel tub in New York City with Rhode Island Greenings bringing 65¢-75¢ and Wealthys 75¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 20¾¢; 91 score, 20½¢; 90 score, 20¼¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12½ to 13¢; Young Americas, 13¢.

Wholesale prices of fresh eggs, mixed colors at New York (Urner Barry Company quotations) were: Special Packed, 28½ to 28¾¢; Standards, 28 to 28¼¢; Rehandled Receipts, 27½¢.

Average price of Middling spot cotton in 10 designated markets was unchanged at 6.06¢ per pound. On the same day last year the price was 6.23¢. January future contracts on the New York Cotton Exchange declined 1 point to 6.11¢ and on the New Orleans Cotton Exchange were unchanged at 6.09¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVIII, No. 11

Section 1

January 14, 1933.

**HOUSE OVERRIDES PHILIPPINE VETO** President Hoover yesterday vetoed the Philippine independence bill, and in less than two hours the House overrode the veto by a vote of 274 to 94, or twenty-nine more than the two-thirds majority required, according to the press today.

An A.P. dispatch today says: "One formidable obstacle last night stood between the Philippine Islands and freedom-- a Senate vote on overriding President Hoover's veto..."

**R.F.C. LOANS** Loans totaling \$2,272,372 to provide work for thousands of men were authorized late yesterday by the Reconstruction Corporation directors, including one advance for relief and seven for self-liquidating projects. The board loaned \$281,372 to California to help that State maintain its labor camps for transient unemployed men who are cared for on the "no work, no eat" plan at camps on the snow line of the mountains. The other loans included \$1,300,000 to San Juan, Porto Rico, for completing its waterworks system; \$550,000 to the University of Colorado for construction of a dormitory for 300 girls; \$40,000 to the Reeves County Water Improvement District No. 1 of Balmerhea, Tex., for repairing its irrigation system; \$15,000 to the Fabens (Tex.) Water Co. for extending the city water system; \$20,000 to the Riverton (Utah) Pipe Line Co., for building a reservoir; \$16,000 to Quincy, Fla., for improving its water system; and \$50,000 to Pensacola, Fla., for improving its water system. (Press, Jan. 14.)

**GOVERNMENT REORGANIZATION** The press today states that Democrats in caucus yesterday sponsored the resolution of Representative Cochran of Missouri, Chairman of the House committee on expenditures in executive departments, to leave to Mr. Roosevelt the question of reorganizing the Government departments.

**PICARD ON COSMIC RAYS** Prof. Auguste Picard last night pictured cosmic rays as the world's future source of energy, manufactured at little or no cost from such abundant sources as water by some process of smashing atoms. Speaking in Washington before the National Geographic Society, the famous stratosphere explorer said it was "high time" man should be preparing to replace the earth's dwindling coal supplies with a new source of energy. This, he believes, will be the cosmic ray, myriads of which rain continuously on the earth from the sky. (Press, Jan. 14.)

**BERLIN ON CONDITIONS** The world depression is scraping bottom and any further changes may be expected to be in the form of improvement, although no general upward movement may be anticipated possibly for some time, according to a report just issued by the German Institute for Economic Research at Berlin as summarized in advices received by the Department of Commerce.



## Section 2

Cooperation      The Scottish Farmer for December 24 says: "There are  
in Scot- 168 cooperative societies in Sootland with a membership of  
land 17,718, equal to 24 per cent of the total holders in Scotland.  
Including the Scottish Milk Agency, the total turnover during  
1931 was 3,688,688 pounds, and the share capital involved 202,061  
pounds. Scotland depends on the livestock industry, and yet it  
can only be said that the problem of cooperation in that branch  
has never been seriously tackled. It is to be deplored that the  
consumers' cooperative movement, in defiance of their own theo-  
ries, has either been indifferent or definitely hostile to any  
attempt at cooperation among farmers. Such opposition has to a  
large extent altered the outlook of the Scottish farmer. As  
there seems to be no common approach to the solution of these dif-  
ferences, there is a growing desire to secure State interven-  
tion by utilizing the Agricultural Marketing Act. Thus we have  
schemes either prepared or in course of preparation for many of  
the most important products of the farm. Any such measures will  
be most heartily opposed. Attempts to discredit the cooperative  
ideal will be directed with ingenuity, and with all the influ-  
ence which great wealth commands. We would have expected that  
the keen opposition of the consumers' cooperative movement against  
any amalgamation by farmers, would have been the strongest recom-  
mendation in favor of that amalgamation, and that producers would  
not yield to insidious propaganda. Voluntary association has  
proved only moderately successful, and the future lies in com-  
pulsion, so that the disloyalty of a minority can not be per-  
mitted to negative the advantages of cooperation...."

Florida      An editorial in The Miami Herald for January 3 says:  
Coloniz- "Brought from Chicago where they were charity charges on the  
ing Neighbor Guild, five families have arrived in Samsula, up near  
Scheme New Smyrna, and have been given the opportunity of making their  
own way on farm land which they are now clearing collectively.  
Each family has temporary shelter, and will be shown how to build  
comfortable houses from cypress logs, on plans drawn by a skilled  
architect. The organizer of the colony, Dr. Copeland Smith, has  
arranged to pay each family \$9 a week until it gets returns from  
truck crops and other sources. The first products of the land  
will be sent back to Chicago where the Neighbor Guild will buy  
them for distribution to the needy. Each family has five acres,  
with an option on five acres more. As this first contingent  
gets settled and able to make their own way, others will be  
drawn from the same Chicago source, and in time quite a colony  
will be engaged in truck gardening, chicken raising and similar  
activities. Not all such colonizing schemes prove successful.  
But this is the time if ever when they should, for there is  
every incentive to work and almost none to return to the want  
and despair of the cities. Bring on your colonies, say we."

Grape      An editorial in The Florida Times-Union for December  
Growing 23 says: "Florida grape growers are not dismayed or discouraged  
in their efforts to firmly establish grape culture, on a commer-  
Florida cial basis, in this State. As in all lines of industry, the  
growing of grapes in Florida, extensively, has been more or less

interrupted by adverse economic conditions that have prevailed during several years. But the grape growers have continued active to the extent permitted and are looking forward at this time to resumption of their former activities as these conditions improve. With experiences they have acquired in the meantime they stand to make even more progress than they have made in the years gone by, or since the beginning of their efforts to add the industry of grape-growing to other established agricultural and horticultural industries in this State. All the foregoing is indicated by the Mid-Winter meeting of the Florida Grape Growers' Association, held in Leesburg on Tuesday of this week....Having favorable natural conditions in Florida, as has been demonstrated abundantly, the one thing now necessary is grape culture of the most advanced type, in order that the product may be improved in every way possible, and the cost of production lowered to the lowest level without lessening either the quality or the volume of production. These were among the matters given serious consideration in the Leesburg meeting where enthusiasm was at high point...."

#### Technocracy

An editorial in The Ohio Farmer for December 24 says:

"The world at large is having much ado about a theory or philosophy which its sponsors call technocracy. This is the word which this group of self-styled technocrats have applied to their studies of the advancement of the machine age. We have created, say these engineers, a huge permanent unemployment because of the development of intricate machinery, which in turn displaces men formerly needed in industry. These men do not give a solution for the problems which the machine has created but imply that a change in distribution methods is needed so that the work week and the work day can be shortened to reemploy those whom the machine has rendered idle. A breakdown in our whole social structure in a few years is forecast unless something is done about it, and the man in the street is left without any clear idea of what can be done about it. All of which reminds us that it is not so many years ago that the country was similarly doomed to disaster by the followers of Malthus. Malthus, you remember if you have reached middle age, was the gentleman who, after charting population growth and the productivity of agriculture, predicted famine and starvation throughout the world. Agriculture would not be able to keep pace with the growth in population and the world would face a food shortage that would wreck civilization. The time has passed when Malthus predicted the starvation of man, and we find an agriculture burdened with huge surpluses both of food and man power released by the technological unemployment of the technocrats. It is not a question of starvation; it is a question of getting enough money for the products of the farm to buy enough industrial products to start the wheels of industry turning again. It was the decline in the birthrate and the development of scientific agriculture that removed the specter of famine from the world. It was the development of the first machinery on the farm that released the man power to the machine shop of the city to make possible

the technological advancement of the past 50 years. Now the machine shop has released the man power to agriculture again and agriculture knows not what to do with it for its processes have been not far behind in the use of power. The solution--perhaps it will come through the return to favor of large families, making more consumers for both agriculture and industry, and perhaps our social thinking will catch up with our technical thinking and find a way to distribute and exchange the products of your labor and mine so that all will have the necessities of life and time to enjoy the luxuries."

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Vol. XLVIII, No. 12

Section 1

January 16, 1933.

## THE FARM BILL

The press today says: "The constitutionality of the controversial 'domestic allotment' farm relief bill was pondered by Senate lawyers yesterday as the agricultural committee prepared to take up the measure today in executive session. A belief that the bill as now written is unconstitutional was expressed by Chairman McNary, who favors rewriting it almost from start to finish. The constitutional argument also was advanced by opponents of the bill in the House before its passage there and was based on the contention that it violates a provision that 'all duties, imposts and excises shall be uniform throughout the United States.' They held that the bill would take money from one class of people by taxation and give it to another class. Advocates of the measure contend that the bill in its general application to seven selected products--wheat, cotton, tobacco, rice, peanuts, butterfat and hogs--comes within the constitutional provision. Under the allotment plan, a 'processing' tax is levied on the man who mills the wheat into flour or similarly puts the other six products through their first stage of preparation for consumption. For light on the constitutional question, members looked to such lawyers as Mr. Norris of Nebraska, chairman of the judiciary committee and member of the agriculture group; Mr. Borah of Idaho, and Mr. Walsh of Montana. Pending a careful study of its provisions, Mr. Norris withheld judgment, as did other leading constitutional lawyers of the Senate, although Mr. Borah has given the impression that he has his doubts concerning the advisability of the measure on general grounds."

## IOWA FARM SALES

A Logan, Iowa, dispatch today says: "Four hundred farmers, milling about the court house Saturday, stopped a sheriff's sale on the 160-acre farm of Ernest Ganzhorn near Woodbine. The sale was called to satisfy a \$4,237 judgment held against the farm by Fred D. Wead, Representative H. Malcolm Baldrige of Omaha, and others. They had submitted a bid of \$3,000, which would have left a deficiency judgment. The farmers sent a committee to see Sheriff C. F. Cross, and the sheriff agreed to send the execution back to the court unsatisfied. Mr. Wead said he and Mr. Baldrige, with a third party, held a second mortgage on the farm; originally taken to settle their claim for rent in an Omaha building."

## NEW YORK FARM PLANS

An Albany, N.Y., dispatch today states that Governor Lehman announced yesterday the continuance of the Agricultural Advisory Commission under the chairmanship of Henry Morgenthau, jr., Conservation Commissioner. This body of legislators, farm experts and civic leaders was formed in 1928 at the request of Mr. Roosevelt and prepared his original schedule of recommendations for farm aid which won him credit in rural sections of the State. "While the activities of this commission are wholly unofficial," said the Governor's announcement, "the Governor feels that many constructive suggestions and recommendations will result from the cooperation and interest of this group on agricultural matters and related subjects." The personnel of the commission remains much the same, according to the report.

## Section 2

**Corn Belt Leases**      An editorial in Pennsylvania Farmer for January 7 says: "A new kind of lease is to go into effect this year on some of the Corn Belt farms which an insurance company has taken over. It provides that the rent shall be a certain amount of pork per acre, or a certain weight of live hogs per acre. If the hog market is high the owner of the farm will get a high rent, if low the tenant will pay according to his ability to pay. Under this plan landlord and tenant share good times and bad. Might some variation of it be useful in this region, where production is different both in nature of products and number of them?"

**Farm Relief Bill**      An editorial in The Wall Street Journal for January 13 says: "If Congress can afford the farmers real relief,...it should by all means do so. Prostration of a third of the population in buying power will be a huge obstacle to business recovery as long as it lasts. Opposition to the farm allotment bill as class legislation is too academic to listen to in the present state of the country's affairs, so long as the taxing power is not used for unconstitutional purposes....The real questions to be answered concerning this bill are: Will it work? How will it work? It may sound terrifying enough to say that the scheme would collect \$1,000,000,000 from consumers of foods and cotton goods to be distributed among the producers thereof, and that this impost would rest most heavily upon the people of the populous eastern states, which areas would receive little of it by way of distribution to the farmers therein. But that argument, arithmetically correct though it may be in substance, does not by itself necessarily condemn the bill. Its proponents have never denied that it contemplates a tax on the consumer for the benefit of the producer; they insist that that is precisely the nature of every protective tariff duty and that here the question is merely whose ox is gored. More pertinent is their argument, not yet very clearly made but implicit in every line of the bill, that the recipients of the billion-dollar tax pool will be forced to expend it promptly through payment of their local taxes, interest on their mortgages and purchases of necessities of non-farm origin. In theory at least the populations of industrial areas, who as groups are to pay two or three dollars in food taxes to every dollar they receive back indirect farmer benefits, are as an offset to enjoy the fruits of a stimulated demand for their own manufactured products. Beyond that (we are still theorizing as best we may) they will participate in the diffused general benefits of rejuvenated state, county and municipal credit in the agricultural regions, and the resulting relaxation of the strain upon the Federal Treasury caused by the mounting demands for relief grants and expenditures....Assuming that the Secretary of Agriculture can devise effective means to police the acreage sown and so determine with fair accuracy which among four or five million farmers are entitled to share the tax pool moneys, one passes on to how the plan would work. That involves at the outset the changes in price relationships which must be expected to result from putting rather stiff taxes upon some foods and leaving



others exempt. Foods are not wholly interchangeable, but potatoes can be to some extent substituted for bread; beef for pork and milk for other things. Changes in the proportions of consumption, affecting market prices as they would, are presumably to become a factor in the periodic adjustment which the Secretary of Agriculture is called upon to make in the taxes to be levied upon processors of the foods included in the law...."

**Kansas Conditions** A Dodge City, Kans., dispatch January 13 says: "The general farm situation is still in bad shape. Many counties are collecting only 35 per cent to 40 per cent of current taxes, compared to 85 per cent a year ago. This will soon have an adverse effect on schools and other public activities. The hope that livestock would help offset the losses on farms due to low grain prices is blasted by the fact that hogs are bringing the lowest price ever recorded, and cattle are so cheap that in some cases carloads shipped to market will not pay freight. These shipments consist of the poorer grades of stock, but the situation is unprecedented."

**Meat Exhibit at World Fair** An editorial in Western Breeders Journal for January 1 says: "A contract has been signed by the livestock and meat industry for a large amount of exhibit space at 'A Century of Progress,' the world fair to be held in Chicago in 1933. All factors in the industry--producers of live cattle, retailers of meat, stockyard companies, packers, sausage makers, industries serving the meat industry and others--have joined together in an effort to produce a unified exhibit that will picture in a realistic and interesting way the romance and color associated with the production of livestock and meat. On entering the exhibit, for example, the visitor will feel himself transported into the range country of the West. Throughout the exhibit all of the historical highlights and epoch-making developments of the meat industry in the past hundred years will be arrayed in striking and highly interesting form. The exhibit, designed by R.M. Whitson, will occupy the entire center wing of the agricultural building."

**Science and Agriculture** Nature (London) for December 31 says: "It is distinctly unusual for the Governor-General of a great Dominion to deliver an important scientific address; yet that is what recently happened in New Zealand when Lord Bledisloe gave the Cawthron lecture, which is there regarded as the annual pronouncement par excellence on modern movements in science and their relation to the life of the community. Lord Bledisloe chose as his title 'A Conspectus of Recent Agricultural Research' and the choice was doubly happy in that the subject is of profound importance to the people of New Zealand and that he himself is so well qualified to deal with it. Nowhere in the world is scientific agriculture more highly developed and nowhere can one gather a more discriminating and better informed audience to listen to an agricultural lecture than at the Cawthron Institute on the occasion of this annual function....The account of the Rothamsted experiments on cultivation and fertilization of crops and on the



making of new pastures is followed by a description of the Jealotts Hill investigations on the intensive manuring of pastures, and of the Aberystwyth work on the improvement of hill grazing. This naturally leads to a survey of the effects of mineral deficiencies on the composition of the herbage and on the health of the animals grazing thereon. Fundamental studies on this subject are made at the Rowett Research Institute at Aberdeen, but New Zealand has contributed in no small measure to the advances made in recent years. Stress is rightly laid on the need for an adequate soil survey of the country. Much is already being done in New Zealand and appropriate methods are being worked out: meanwhile the underlying principles are being studied at Rothamsted, Bangor, Aberdeen and elsewhere.... So much research has been done on the feeding of animals and so advanced is the good farmer's knowledge of this subject that, in Lord Bledisloe's view, 'if the average human being knew as much about the feeding of himself and his children as the average farmer knows about that of his stock, the average standard of human health and physical energy would be at least 33 per cent higher than it is. Probably as much as 50 per cent of the therapeutic activities of physicians, druggists and clinics is referable, directly or indirectly, to avoidable dietetic indiscretions based on ignorance of the fundamental principles of animal nutrition.' ..."

Wheat Situation

Wheat Studies of The Food Research Institute for January says: "International trade in wheat in August-November 1932 was the smallest in a decade. With initial supplies of record size, and stringent governmental import and milling restrictions, European countries took notably little foreign wheat. Russia and the Danube countries had only small crops, and did not press wheat for export as in 1930 and 1931. Canada furnished a large portion of the total shipments; yet her supplies, particularly in visible positions, remained extremely large. United States exports were the smallest in post-war years, despite heavy supplies. Shipments to ex-Europe, mainly from Australia, were of moderate size. After some recovery in August, international wheat prices declined in September-November under the influence of heavy supplies, favorable development of Southern Hemisphere crops, depreciation of sterling and Canadian exchange, and facing optimism in business and financial circles. New low record prices were registered in all futures markets in November-December, though prices at Chicago remained above export parity. The year's volume of trade in wheat now seems likely to be strikingly small, probably around 645 million bushels in terms of shipments. Total end-year stocks will probably be enlarged, with increases in Canada, Argentina, and western Europe greater than decreases in the Danube basin and India. From the record low price of the Liverpool May future in mid-December, a sustained decline of as much as 5 cents before April 1 seems improbable. On the other hand, a sustained advance of 15 cents also seems improbable in the absence of sensationally bad crop news or marked improvement in business or financial conditions. A widening of the Chicago-Liverpool spread sufficient to allow free exports of United States wheat is unlikely,"

**Wholesale Prices**      The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending January 7 stands at 61.9 as compared with 62.2 for the week ending December 31 showing a decrease of approximately  $\frac{1}{2}$  of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

### Section 3 MARKET QUOTATIONS

#### Farm Prices

Jan. 13.--Grain prices: No.1 dark northern spring\* Minneapolis 48  $\frac{3}{4}$  to 50  $\frac{3}{4}$ ¢; No.1 northern spring\* Minneapolis 47  $\frac{3}{4}$  to 49  $\frac{3}{4}$ ¢; No.1 hard winter\* Kansas City 44 to 45¢; No.2 hard winter\* Kansas City 43  $\frac{1}{4}$  to 44¢; Chicago 49  $\frac{1}{4}$ ¢; St. Louis 51¢ (Nom.); No.1 S.R. Winter St. Louis 52¢ (Nom.); No.2 S.R. Winter Kansas City 43  $\frac{1}{2}$  to 50¢ (Nom.); St. Louis 51¢; No.1 W. Wh. Portland 40  $\frac{1}{2}$ ¢; No.2 Am. Dur.\* Minneapolis 42  $\frac{1}{4}$  to 45  $\frac{1}{4}$ ¢; No.1 Durum (Duluth) 46  $\frac{1}{4}$  to 48  $\frac{1}{4}$ ¢; No.2 rye Minneapolis 31  $\frac{3}{4}$  to 33  $\frac{3}{4}$ ¢; No.2 mixed corn Minneapolis 19  $\frac{1}{2}$  to 20  $\frac{1}{2}$ ¢; Kansas City 23 to 23  $\frac{1}{2}$ ¢; Chicago 24  $\frac{3}{4}$ ¢; St. Louis 24¢; No.2 white corn Kansas City 23  $\frac{1}{4}$  to 23  $\frac{3}{4}$ ¢; St. Louis 24  $\frac{1}{2}$ ¢ (Nom.); No.2 yellow corn Minneapolis 24 to 25¢; Kansas City 23  $\frac{1}{4}$  to 23  $\frac{3}{4}$ ¢; Chicago 25  $\frac{1}{4}$ ¢ (Nom.); St. Louis 24  $\frac{3}{4}$ ¢; No.3 yellow corn Minneapolis 22 to 23¢; Kansas City 22  $\frac{1}{2}$  to 23¢; Chicago 23  $\frac{3}{4}$  to 25¢; St. Louis 23  $\frac{1}{2}$  to 24¢; No.2 white oats Minneapolis 14  $\frac{5}{8}$  to 15  $\frac{1}{8}$ ¢; Kansas City 17  $\frac{1}{2}$  to 18  $\frac{1}{2}$  (Nom.); Chicago 17  $\frac{1}{4}$ ¢; St. Louis 17  $\frac{3}{4}$ ¢; No.3 white oats Minneapolis 14  $\frac{1}{8}$  to 14  $\frac{5}{8}$ ¢; Kansas City 16  $\frac{1}{2}$  to 17  $\frac{1}{2}$ ¢; Chicago 16  $\frac{1}{2}$  to 17¢; St. Louis 17  $\frac{1}{2}$ ¢; Special No.2 barley Minneapolis 26 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.15 to \$1.20.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.50 to \$7.25; cows, good, \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice, \$5 to \$6.75; vealers, good and choice, \$4 to \$6; feeder and stocker cattle, steers, good and choice, \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.15 to \$3.25; 200-250 lbs. good and choice \$2.95 to \$3.25; 250-350 lbs. good and choice \$2.60 to \$3; slaughter pigs, 100-130 lbs., good and choice, \$2.50 to \$3; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.75 to \$6.35.

Maine sacked Green Mountain potatoes 95¢-\$1.25 per 100 pounds in eastern cities; 53¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 70¢-72 $\frac{1}{2}$ ¢ carlot sales in Chicago; 50¢-53¢ f.o.b. Waupaca. New York and Midwestern yellow varieties of onions brought 30¢-60¢ per 50-pound sack in consuming centers;

\*Prices basis ordinary protein,

30¢-33¢ f.o.b. Rochester and 55¢-57¢ f.o.b. West Michigan points. New York Danish type cabbage \$10-\$14 bulk per ton in terminal markets; \$4.50-\$6 f.o.b. Rochester. Florida Pointed type \$1-\$1.15 per 1½-bushel hamper in the East. Texas Round type \$1.40-\$1.50 per western lettuce crate in Chicago; 50¢-60¢ f.o.b. Lower Valley points. East Shore Maryland and Delaware Jersey type sweet potatoes 50¢-90¢ per bushel tub in eastern cities. Tennessee Nancy Halls mostly 60¢ in Chicago. New York McIntosh apples, No. 1, 2½ inches, \$1.25 and Wealthys 85¢ per bushel tub in New York City; Rhode Island Greenings 65¢-75¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 20½¢; 91 score, 20¼¢; 90 score, 20¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12½ to 13¢; Young Americas, 13¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 28¾¢ to 29¢; Standards, 28½¢; Rehandled Receipts, 27½¢.

Average price of Middling spot cotton in the ten designated markets declined 3 points to 6.03¢ per lb. On the corresponding day one year ago the price stood at 6.25¢. January future contracts on the New York Cotton Exchange declined 1 point to 6.10¢, and on the New Orleans Cotton Exchange declined 2 points to 6.07¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLVIII, No. 13

Section 1

January 17, 1933.

## MILLS ON RECOVERY

In a new appeal for a general manufacturers' excise tax and for effective congressional action to balance the Federal budget, Secretary of the Treasury Mills said last night, in a nation-wide radio broadcast, that both new revenues and drastic reductions in expenditures are essential to restoration of the pay-as-you-go policy in Government. To this policy, he added, the whole Nation "must look for the initial impulse toward economic recovery." He alluded to the continued bleeding of the capital markets for deficit balances as a primary obstacle to the resumption of normal commercial financing and said that further delay on an honestly balanced budget might add many millions unnecessarily to our future debt costs by jeopardizing the Treasury's prospective conversion program next year. (Press, Jan. 17.)

## THE DEFICIENCY BILL

The House yesterday refused to accept Senate amendments to the \$31,761,000 first deficiency bill and sent the measure to conference. Speaker Garner said from the Chair it was his opinion that the Senate amendment, requiring the joint congressional committee on Internal Revenue to approve all tax refunds or credits of more than \$5,000, could not be left in the bill, as it did not appear germane to the bill under House rules. (Press, Jan. 17.)

## CROP PRODUCTION LOANS

By a vote of 178 to 69, the House yesterday passed a bill providing \$75,000,000 for crop production loans, according to the press today.

## DOMESTIC BUYING

A bill requiring the purchase of domestic supplies for governmental use and use of domestic materials in Federal public buildings and works was passed yesterday by the House under a suspension of the rules and with only limited debate. It goes now to the Senate. The measure provides that the Government shall purchase the products of the "industries, mines, forests and agriculture" of this country and that these products shall be used by contractors on public buildings. The bill, written by Representative Wilson of Louisiana, was approved by the committee on expenditures in the Executive Departments. (Press, Jan. 17.)

## MORTGAGE FORE- CLOSURE SALES

An Omaha dispatch today says: "Farmers mobilized at two points yesterday and forced sheriffs to postpone mortgage foreclosure sales. At the same time the Farmers Holiday Association, the Nebraska Federation of Labor and the State Federation of Taxpayers League combined to get behind a cooperative legislative program, including a drive on Lincoln while the State Legislature is in session. Five hundred farmers appeared at the sheriff's sale of Thomas Sullivan's farm near Dakota City, Neb., and warned all against bidding. Three times the sheriff offered the land, but even the holder of the mortgage was afraid to bid and the sale was postponed.

"Across the Missouri River in Union County, S.D., several hundred farmers mobilized and prevented a foreclosure sale...."

## Section 2

Allotment  
Bill

An editorial in Barron's for January 16 says: "Of the farm-allotment bill now working its way through Congress it must be said that it has a certain painful logic in its favor. All protective tariffs are taxes on consumption, imposed to support a home industry. Most of the farm products are produced in excess of domestic needs, with the result that a surplus weights the domestic price down to the outside world level, despite all tariff barriers against the admission of similar commodities from abroad. Proponents of the farm-allotment scheme, so they say, are proposing to do for the farmer and his hired man only what has long been done for the manufacturer and his employees, who also produce export surpluses, but manage somehow to prevent these from depressing the home market in anything like the same proportion as do export surpluses of wheat, hogs, or cotton. If we are to follow the sort of 'planned economy' represented by tariff protection, fixation of freight rates, statutes fostering frozen wage scales in certain services, tax-eating highways, and the like, it is extremely hard to dismiss the farmer's demand that something be planned--and enacted--for his special benefit. It may well be vicious-circle reasoning that leads us to apply one artificial prop after another to various parts of our national economy, but no one feels its viciousness more cruelly than the man who is excluded from the circle of statutory benefactions. ..."

Barter  
Aid Urged

A Princeton, N.J., dispatch January 16 says: "Financial support from Federal and State Governments to aid the emergency exchange or 'barter' system is urged in a memorandum issued at Princeton January 15 by leading economists and relief workers from all sections of the country. Preparation of the document was announced at the annual meeting of the American Statistical Association, in December, and was released January 15 by Professor J. Douglas Brown, director of the industrial relations section of Princeton University. The memorandum, entitled 'Emergency Exchanges for the Alleviation of Unemployment,' reads as follows: 'Despite the increasing seriousness of unemployment during the past three years, most proposals for relief seek merely to distribute the burden without remedying the cause, or involve such drastic changes in our social and economic structure as to hold no promise for the immediate future. It has, however, been urged by many that large numbers of those now unemployed can be set to work producing goods and services for their own consumption through the establishment of emergency exchanges for such goods and services. Such measures are already in successful operation in many parts of the country....'"

Business  
Conditions

The Business Week for January 18 says: "...Postponing the inevitable decisions on taxation and the budget is the heaviest brake on business at the moment....Banks can not afford indefinitely to accumulate idle reserves....An encouraging speculative interest came to light this week in the stock, bond and commodity markets, lifting numerous issues to notably higher levels....Even secondary rail issues participated in the rally, despite the cloudy outlook besetting rail maturities and rail relief....Holiday influences, particularly the opening of the



new year, have greatly distorted the significance of the current business records, and given a boost to our general business indicator....The strength of sterling and the prevalence of moderate European optimism, except in France, is gratifying."

Danish Pig            J. E. Nyrop, writing on "Industrialized Fattening of Industry Pigs in Denmark" in Country Life (London) for December 31, says: "...In Denmark, a great part of bacon production is a subsidiary to the butter industry, and, looking at the returns obtained in various countries, the pig industry appears to pay better in Denmark than it does elsewhere. An examination of the products used in feeding the Danish pig shows that on an average 18.6 per cent of the food units fed derive from skim-milk, whey and similar by-products of the dairy industry. The use of such a high percentage of milk products accounts largely for successful fattening. Besides, under the Danish cooperative system the bacon factories are assured of supplies of uniform quality, from a standardized type of pig. The high standard of the Danish veterinary service and good housing accommodation are important factors in the efficiency of the Danish bacon industry. All of these factors, which are essential to the high standard required, can not be secured by voluntary means. A system of inspection and regulation has been found necessary, a system that has helped to build up the reputation for quality which the word Danish in connection with bacon stands for. According to law, all bacon sides for export from Denmark must bear the 'lur-mark,' a date mark and the class number indicating the nationality, the age and the class. Sides marked in this way have been produced, cured, and packed in accordance with certain rules, the keeping of which is superintended by inspectors visiting the single bacon export depot. Further, a sharp watch is kept by veterinary surgeons. To enable the farmer to supply the factories with the right pigs, their breed is of importance. In Denmark it is found that the British Large White boar mated with the Danish Landrace gives the best bacon carcass. To secure the best possible strains, a number of breeding centers have been established....The main object of the Danish feeders is to produce a first-rate bacon pig. He is free of the divided allegiance of the British farmer, who has both the bacon and the pork market in view and is tempted to produce pigs he can sell in either market according to the price. The result is that English pigs often are not suited to the bacon trade, and the British curers are at a disadvantage in competing with the Danish."

Kansas            "The Federal Land Bank will not sell a good, pro-  
Land            ductive farm, acquired through foreclosure of a delinquent loan,  
Banks            for less than the amount of the bank's investment in the farm,"  
                 announced the president of the bank, John Fields, at Wichita,  
                 January 16, according to the press of January 17. Even though  
                 land values have declined, and they have, such farms even under  
                 existing conditions are worth what the bank lent on them plus  
                 accumulated interest and taxes and foreclosure expense. And  
                 unless the present increasing demand for such farms to be used



as living-making homes for families who realize there is no future for them in towns and cities soon stops, these farms will be worth more and the bank will make profits on them. The Federal Land Bank of Wichita made 347 sales of foreclosed farms in 1932. The number of farms owned at the end of 1932 was less than 1 per cent of the number of loans in force and was 3 smaller than at the end of 1931, being 301, by states as follows: Colorado, 117; Kansas, 51; New Mexico, 34; and Oklahoma, 99. All of these farms are for sale but, while the bank owns them, they will be rented to dependable tenants who produce evidence of ability and disposition to farm them properly and to maintain the improvements in good condition."

Wireless.      Wireless waves, which can cook the white of an egg  
Waves      while the yolk remains uncooked, or the yolk while the white is unaffected, were among the scientific discoveries described by Professor F. L. Hopwood, member of the Grand Council of the British Empire Cancer Campaign, at the recent London congress of the Institute of Radiology. He described, also, how sound waves, five octaves above the limit of hearing, could kill fish, paralyze muscles and nerves, and produce marked chemical effects. And he showed how, in the future, it may be possible to replace even the most powerful radium equipment by waves produced artificially. "The prospect opened up is indeed impressive," a leading radiologist commented to a representative of The Morning Post after the address. "Even now, preliminary and experimental treatments are being undertaken with the rays which produce selective internal hearing...."(Press, Jan. 4.)

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#### Section 3.

Department of      Ada Barnett Stough, writing on "Social Equilibrium: How  
Agricul-      Three Government Bureaus Tend to Maintain It." in Journal of the  
ture      American Association of University Women for January, says:  
    "...The present plight of the country, due, as many if not most people believe, to the fact that production has greatly exceeded consumption, is itself a demonstration of the need of an agency in the Federal Government such as the Bureau of Home Economics. While all the brains which industry could command during the last decade have been employed on the problem of producing more and more goods, the Bureau of Home Economics is the only nationwide agency which avows that 'production has got to be done with the consumer's need in mind.' Its scientific research to that end gives consumers a basis for the selection of their goods and for their budget expenditures. It is a service to producers also because it guides them toward the production of goods best adapted to the American market. Since the 24,000,000 homes of the Nation must in the end consume the greater part of the manufactured and agricultural products of the country, the bureau's studies of food, textiles, and economic problems are made from the home-maker's point of view. The bureau concerns itself particularly with promoting the consumption of American-grown agricultural products.... Assistance to home-makers in maintaining an adequate standard of living in the face of falling incomes has been a particular service of the bureau in the past two years.

In cooperation with the Children's Bureau, over one million bulletins and charts on low-cost food for a family have been distributed on request and many welfare organizations have reprinted them for wider use. They tell the housewife exactly how to feed her family at low cost and still meet the requirements of nutrition. As already noted, the service of the bureau is of value to industry as well as to the homemaker. Studies of efficiency in household equipment serve to show the manufacturer of refrigerators, washing machines, metal sinks, electrical appliances, and numerous other household implements just what the housewife needs and is learning to demand...."

#### Section 4 MARKET QUOTATIONS

##### Farm Products

Jan. 16.--Grain: No.1 dark northern spring\* Minneapolis 47 1/4 to 49 1/4¢; No.1 northern spring\* Minneapolis 46 1/4 to 48 1/4¢; No.1 hard winter\* Kansas City 42 1/4 to 43 1/2¢; No.2 hard winter\* Kansas City 41 1/2 to 43¢; St. Louis 49 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 50 to 50 1/2¢ (Nom.); No.2 S.R. Winter Kansas City 44¢; St. Louis 49 1/2 to 50¢; No.1 W. Wh. Portland 40¢; No.2 Am. Dur.\* Minneapolis 40 5/8 to 43 5/8¢; No.1 Durum (Duluth) 44 5/8 to 46 5/8¢; No.2 Rye Minneapolis 30 1/2 to 32 1/2¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 22 to 22 1/2¢; Chicago 24¢ (Nom.); St. Louis 23¢ (Nom.); No.2 white corn Kansas City 22 1/2 to 23¢; St. Louis 23 3/4¢; No.2 yellow corn Minneapolis 22 to 23¢; Kansas City 22 1/2 to 23¢; Chicago 25¢; St. Louis 24¢; No.3 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 21 1/2 to 22 1/4¢; Chicago 23¢; St. Louis 22 1/2 to 23 1/2¢; No.2 white oats Minneapolis 14 to 14 1/4¢; Kansas City 17 1/2 to 18 1/2¢; Chicago 17¢; St. Louis 17 1/4 to 17 1/2¢; No.3 white oats Minneapolis 13 1/2 to 14¢; Kansas City 16 1/2 to 17 1/2¢; Chicago 16 1/4 to 16 3/4¢; St. Louis 16 3/4¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.11 to \$1.15.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.25 to \$7.25; cows, good \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice \$4.75 to \$6.75; vealers, good and choice \$4 to \$6; feeder and stocker cattle, steers, good and choice \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.30 to \$3.40; 200-250 lbs. good and choice \$2.70 to \$3.15; slaughter pigs, 100-130 lbs. good and choice \$2.75 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.75 to \$6.35.

Maine sacked Green Mountain potatoes ranged 95¢-\$1.20 per 100 pounds in eastern cities. New York sacked Round Whites 90¢-\$1 in the East; 67¢-70¢ f.o.b. Rochester. Wisconsin sacked stock 67 1/2¢-70¢ carlot sales in Chicago; 50¢ f.o.b. Waupaca. New York Danish type cabbage \$12-\$13 bulk per ton in terminal markets; \$5-\$6 f.o.b. Rochester. Florida Pointed type 75¢-\$1 per 1 1/2-

\*Prices basis ordinary protein.

bushel hamper in eastern cities. Texas Round type \$1.25-\$1.50 per western lettuce crate in Chicago; 50¢-60¢ f.o.b. Lower Valley points. New York and Midwestern yellow varieties of onions 30¢-60¢ per 50-pound sack in consuming centers; 30¢-33¢ f.o.b. Rochester and 25¢ f.o.b. West Michigan points. New York McIntosh apples, No.1, 2½ inches, \$1-\$1.25 and Rhode Island Greenings 70¢-75¢ per bushel tub in New York City; f.o.b. sales of Rhode Island Greenings 65¢-75¢ at Rochester.

Average price of Middling spot cotton in the ten designated markets declined 16 points to 5.90¢ per lb. On the corresponding day one year ago the price stood at 6.36¢. January future contracts on the New York Cotton Exchange declined 14 points to 5.98¢, and on the New Orleans Cotton Exchange declined 16 points to 5.91¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 20¢; 91 score, 19¼¢; 90 score, 19½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12 to 12¼¢; Young Americas, 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 25½ to 26¢; Standards, 24½ to 25¢; Rehandled Receipts, 24¢.  
(Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVIII, No. 14

Section 1

January 18, 1933.

**THE PRESIDENT'S BUDGET MESSAGE** The press today says: "After considering the idea for more than a week....President Hoover submitted his new budget-balancing message to Congress yesterday. In this he predicted that the deficit for next year might be as much as \$1,120,000,000; that no amount of economies that can be foreseen will overcome such a sum; that tax legislation is imperative, and that since tax legislation is imperative, a manufacturers' sales tax must be resorted to. The necessity for balancing the Federal budget also is imperative, in the President's judgment, 'if confidence in the financial stability of the Government is to be maintained.'..."

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**SENATE PASSES PHILIPPINE BILL** By a vote of 66 to 26, the Senate yesterday passed the Philippine ten-year independence bill over the President's veto, according to the press today.

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**DEFICIENCY BILL** Congressional action on the first appropriation bill of the current session was completed yesterday and the \$31,000,000 first deficiency bill was sent to the White House by the Senate. Without debate, the Senate approved a conference report on the measure, accepting House proposed changes in the controversial provision for review by the joint committee on internal revenue taxation of tax refund claims. Under the bill as passed by the Senate, the committee would pass on all claims of \$5,000 or more, but the House changed this to a \$20,000 minimum, to which the Senate agreed. (Press, Jan. 18.)

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**NON-CIVIL SERVICE POSITIONS** The Civil Service Commission yesterday informed the Senate that between 130,000 and 150,000 Federal jobs were not under civil service. The report was in answer to a resolution by Senator McKellar of Tennessee. The positions were scattered over this country, in Washington and in foreign lands, the commission said. It did not total the various groups. (Press, Jan. 18.)

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**THE FARM BILL** The press today says: "Senator Smith brought back from his New York conference with Governor Roosevelt a definite report that the President-elect wished to see some farm relief measure passed at the present session of Congress. The South Carolina Senator told his colleagues of the Senate agriculture committee meeting yesterday, that Governor Roosevelt realized 90 per cent of this year's crops would be planted before an extra session could be called, so that any acreage reduction adopted would be too late to be of immediate help. With this assurance, the committee laid plans yesterday to deal as rapidly as possible with the Jones allotment plan bill in an endeavor to report a modified measure to the Senate within a week...."

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## Section 2

## Distribution

David Cushman Coyle, New York Consulting Engineer, writing under the title "New Aspects of the Distribution Problem" in The Annals of the American Academy of Political and Social Science for January, says: "Essentially, the reason the United States ran into the ditch was that the road along which we had been driving for three hundred years took a sharp turn, and we failed to notice it in time. It is beginning to be apparent to an increasing number of people that new things are happening and that the old methods no longer work. Within the last twenty years several new things have happened. We have become a creditor nation on a grand scale, and we can therefore no longer go on with a so-called favorable balance of trade. Moreover, the increase of our population has definitely begun to flatten off; and we can therefore no longer hope for a rapid growth of the home market unless the standard of living rises rapidly. Then, on top of these changes, the new developments of technology appear as the portent of another industrial revolution. The continuous process machine, after a dozen years of slow development in a few particular industries, has suddenly burst forth as a fully generalized idea. So long as it was only an automatic process in each of a few specialized fields, its effects on the general economic system were small. But now it is the automatic process, and its exponents do not hesitate to apply it to anything from rayon fiber to steel houses....In one industry after another, human labor is being almost entirely eliminated as a factor in production. Instead of rows of machine tenders, we have one or two experts watching the gauges of a machine which is a whole factory. We are rapidly approaching a situation where all the available natural resources of this continent can be utilized with the employment of only a very small number of workers. And yet, unless industry can sell its products to a larger number of people than the number to whom it can furnish employment, business can not go on. Somehow, the vast majority who can not be employed in making or distributing goods must be given the means to purchase those goods, or else business is hopelessly paralyzed. This is the new form of the problem of the distribution of income, and in this new form it has become the central toothache of the whole economic body....The key to stable prosperity is the continuous distribution of buying power; the key to distribution is the diversion of money from unnecessary capital investment into the market for services; the key to an immediate enlargement of the market for services is the education of public opinion toward an expanded program of public expenditure. The technologists have solved the physical problem of the ages, the problem of production. We have built the house of plenty, and these are the keys to the door."

Farm  
Loans

"At present prices at which farms are selling here in the East, the capital investment of the purchaser is so low that he is likely to benefit from an increase in the value of the land in years to come, or, if he does not choose to sell, in his permanently low overhead," said Chas. S. Jackson, president of the Federal Land Bank of Baltimore, at Baltimore, January 17. "This fact is being recognized by an increasingly large number of people



and is responsible in no small degree for the large number of farms being sold throughout the entire United States. Conversely, much of the distress in farming is traceable directly to inflation of values and the increase in taxes. Fortunately, only a relatively small number of farms actually changed hands during the peak period but there is a sufficient number to cause real distress to their purchasers many of whom have had to give up in favor of the mortgage holder. It is said that about 525,000, or 21 per cent, of the mortgaged farms in the United States are carrying loans exceeding half their value, another 250,000, or 10 per cent, are mortgaged for more than three-fourths of their value, while 125,000, or 5 per cent, are mortgaged for more than their current value. It is also stated that more than sixty per cent of the farm mortgage debt lies in the twelve north-central States, extending from Ohio and Michigan to Kansas, Nebraska, and the Dakotas. The States of Illinois, Iowa and Nebraska bear about one-third of the entire farm mortgage debt...."

#### Financial

#### Markets

The New York Times of January 16 says: "In the fortnight with which this undoubtedly momentous new year has been introduced, the markets may be described as displaying hesitancy leaning toward subdued hopefulness. The spirit of confidence exhibited in Mussolini's declaration of faith that the economic crisis is past and that the definite turn should be expected some six months hence, and in the statement of the German Minister of Economics to the Reichstag, that the downward trend of business may reasonably be considered as ended, does not yet find voice in the American markets. Indeed, it seems to be the testimony of men in touch with conditions on both continents, that the feeling of doubt is more pervasive in America than in Europe. This is in some respects a curious phenomenon, considering that Europe is emerging from a panic which overran its markets a year and a half after our own markets faced the reckoning of October, 1929, and that European recovery should logically, therefore, come later than our own. But if Europe is slowly getting on its feet, it would be an incident of high importance. But for the outbreak of acute financial crisis throughout Europe during the summer and autumn of 1931, it is possible that our own financial situation at this moment might present another picture. Return of composure to the foreign markets would be all the more noteworthy, in that it occurred while the international movement of gold was again directed strongly toward America. Perhaps the judgment of financial history will be that dissipation of the hysterical idea that all the world, including the United States, was destined to lapse into depreciated currencies, had exerted as important an influence toward reassurance in financial Europe as it undoubtedly exerted here...."

#### New York

#### Emergency

#### Markets

An editorial in American Agriculturist for January 7 says: "Never was there more need than right now for marketing helps that will put the farmer's products on the tables of the consumers who need them so badly. It is very interesting, therefore, to know that the New York State Department of Agriculture



and Markets is planning to help set up a series of emergency city markets to bring the producer and consumer closer together. Commissioner Baldwin writes: 'We all know that farmers are mighty short of cash to pay the taxes that are soon due and other expenses. At the same time we also are aware of the fact that a large percentage of the poorer classes of people in the cities is without work, having difficulty to get enough money together to buy the necessary food. I think farmers have products in the cellars and can produce foods in their kitchens, can raise calves, pigs, poultry, eggs and other products, all of which they would bring to a market if there were one in nearby village or city, in order to get cash. The cash secured by farmers would be largely spent locally, and the plan, therefore, would help everybody. Some cities already have public markets. Selling on most of them at present is mostly wholesale, but there is always some direct dealing between producer and consumer. This can be increased by direct sponsorship of the idea of public authorities, local newspapers and local Farm and Home Bureaus. It is suggested that these emergency markets should be looked upon as a definite part of the local relief program and carried out with this in mind....' It would seem to us that this plan has possibilities, and any plan is worth trying that will go even a little way in giving the farmer more cash and the consumer more food."

Walnut Or- C. C. Thorpe, general manager of the California Co-  
ganization operative Walnut Growers Association, writing under the title "One Way Back to Agricultural Health" in American Bankers Association Journal for January, says: "Scattered throughout the walnut producing districts of California are 43 affiliated packing plants, also cooperatives, where unshelled walnuts are received from grower members, graded, cleansed and packed. These country plants are models of efficiency; their equipment, built in units, is all uniform; and the bulk of our business, 85 per cent to 90 per cent, is confined to the packing, selling and shipping of these unshelled walnuts....It is possible for a co-operative when controlling more than 75 per cent of a given product economically to increase the demand substantially. Where an agricultural industry is not so cooperatively organized, there is no feasible way of increasing demand to absorb an increase in production except through a drastic reduction of prices, often to levels which hurt the industry, as is the case today with such items as wheat, corn, cotton, tobacco, beans and livestock. Eighty-seven per cent of the walnut growers in California are members of this association and deliver all of their product to it. Thus the cost of advertising and sales promotional work is distributed over almost the entire industry--over a large dollar volume. While this cost of increasing consumption or demand is a big item--one which will run to over half a million dollars this year--when it is divided among our 7,000 growers, it becomes a small, individual charge....Our net payments to growers have averaged, over the past five years, 1.6 cents per pound more than the average price received by independent growers, or a premium of  $7\frac{1}{2}$  per cent. But this is not

the big factor. The advantage of cooperation spreads largely over the entire industry. In other words, the whole price structure is several cents per pound higher than if there were not one strong, dominating organization in the field which could strengthen the price, and at the same time take steps necessary to increase the demand in harmony with the continuous and rapid production increase....It is my opinion that if other agricultural industries were as completely and efficiently organized as the walnut growers of California, American farmers would need no gifts nor even any loans from the Federal Treasury."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 17.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$4.25 to \$7.25; cows, good, \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice \$4.75 to \$6.75; vealers, good and choice \$4.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.30 to \$3.40; 200-250 lbs. good and choice \$3.10 to \$3.40; 250-350 lbs. good and choice \$2.75 to \$3.15; slaughter pigs, 100-130 lbs., good and choice \$2.75 to \$3.25; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.75 to \$6.25.

Grain: No.1 dark northern spring\* Minneapolis 48 to 50¢; No.1 northern spring\* Minneapolis 48 to 49¢; No.1 hard winter\* Kansas City 41 3/4 to 42 3/4¢; No.2 hard winter\* Kansas City 41 1/4 to 42 1/2¢; St. Louis 50¢ (Nom.); No.1 S. R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 41 1/2 to 47 1/2¢ (Nom.); St. Louis 49 3/4 to 50¢; No.1 W. Wh. Portland 40 1/2¢; No.2 Am. Dur.\* Minneapolis 41 to 44¢; No.1 Durum (Duluth) 45 to 47¢; No.2 rye Minneapolis 31 to 33¢; No.2 mixed corn Minneapolis 18 to 19¢; Kansas City 21 3/4 to 22 1/2¢; Chicago 23 1/2¢ (Nom.); St. Louis 23¢ (Nom.); No.2 white corn Kansas City 22 1/4 to 23¢; St. Louis 23 to 23 1/4¢; No.2 yellow corn Minneapolis 22 to 23¢; Kansas City 22 1/4 to 23¢; Chicago 24 1/4¢; St. Louis 24¢ (Nom.); No.3 yellow corn Minneapolis 20 1/2 to 21¢; Kansas City 21 1/2 to 22 1/4¢; Chicago 22 3/4¢ to 23 3/4¢; St. Louis 22 1/4 to 23 1/4¢; No.2 white oats Minneapolis 14 1/4 to 14 3/4¢; Kansas City 17 to 18¢; Chicago 16 1/4 to 17 1/4¢; St. Louis 17 1/2¢; No.3 white oats Minneapolis 13 3/4 to 14 1/4¢; Kansas City 16 to 17¢; Chicago 16 to 16 1/4¢; St. Louis 17¢ (Nom.); Special No.2 barley Minneapolis 26 to 27¢; Chicago 34¢ to 36¢; No.1 flaxseed Minneapolis \$1.11 3/4 to \$1.15 3/4.

Maine sacked Green Mountain potatoes 95¢-\$1.25 per 100-pounds in eastern cities; few 50¢-53¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 67 1/2-70¢ carlot sales in Chicago; few

\*Prices basis ordinary protein.



49½¢-50¢ f.o.b. Waupaca. New York Danish type cabbage \$11-\$13 bulk per ton in terminal markets; \$5-\$6 f.o.b. Rochester. Florida Pointed type 75¢-\$1.10 per 1½-bushel hamper in the East. Texas Round type \$1.25-\$1.50 per western lettuce crate in Chicago; 50¢-60¢ f.o.b. Lower Valley points. New York and midwestern yellow varieties of onions brought 30¢-60¢ per 50 pound sack in consuming centers; 31¢-33¢ f.o.b. Rochester and mostly 25¢ f.o.b. West Michigan points. East Shore Maryland and Delaware Jersey type sweet potatoes 60¢-\$1 per bushel tub in eastern city markets. Tennessee Nancy Halls 50¢-65¢ in the Middle West. New York Rhode Island Greening apples, U.S. No.1, 2½ inches, 65¢-75¢ and McIntosh \$1-\$1.25 per bushel basket in New York City; Rhode Island Greenings 65¢-70¢ f.o.b. Rochester.

Average price of Middling spot cotton in 10 designated markets advanced 19 points to 6.09¢ per lb. On the same day last year the price was 6.24¢. January future contracts on the New York Cotton Exchange advanced 17 points to 6.15¢, and on the New Orleans Cotton Exchange advanced 20 points to 6.11¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¢; 91 score, 18½¢; 90 score, 18¼¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12 to 12½¢; Young Americas, 12 to 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 23 to 24¢; Standards, 22½ to 22¾¢; Rehandled Receipts, 21½ to 21¾¢. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

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Vol. XLVIII, No. 15

Section 1

January 19, 1933.

## THE BUDGET MESSAGE

The press today says: "A decision to abandon further consideration of revenue measures at the 'lame duck' session was the answer of Democratic leaders in the House yesterday to the special budget message of President Hoover. Twelve Democratic members of the ways and means committee, meeting informally yesterday, agreed 'off the record' to defer all matters of taxation until the special session, which is expected to be called for April 17...."

## FARM BILL HEARINGS

The press today says: "A new obstacle was placed in the path of the emergency 'domestic allotment' farm relief bill last night in the form of lengthy public hearings. The chances of early action by the Senate lessened considerably as Chairman McNary of the agriculture committee said the demand of its members for hearings was too strong to resist. Millers of flour, packers of meat and other 'processors' of food who would be taxed to pay the farmer the difference between the present and the pre-war price, are to be given opportunity to testify. On the other side, the American Farm Bureau Federation, which has been pushing the bill with the aid of its fellow farm organizations, served notice that if hearings are to be held it wants to be heard in support of the measure. The committee yesterday contented itself with making a careful study of the bill passed by the House last Thursday. Marvin Jones, of Texas, chairman of the House agriculture committee and sponsor of the bill, served as schoolmaster. Some showed doubt as to just how well the scheme would work. They decided to continue their study tomorrow with the aid of Frederick Leo, attorney for the farm organizations; Eric Englund, Assistant Chief of the Bureau of Agricultural Economics, and members of the House agriculture committee...."

## R.F.C. LOANS

The Reconstruction Corporation yesterday authorized four emergency relief loans totaling \$536,893, Tennessee being granted \$176,098, South Carolina \$135,000, Georgia \$195,375 and Montana \$30,420, according to the press today. The report says: "The Montana loan is for use in Yellowstone County during the next two months. In asking for it, the Governor said local funds for relief purposes are exhausted and that the bonded indebtedness of the county can not be increased without a special election."

## NEW YORK MASTER FARMERS

An Albany, N.Y., dispatch today states that the four master farmer awards for New York State were announced yesterday by the board of judges. The farmers chosen were J. L. Atwood of Plattsburg, John G. Gulbertson of Dansville, R. M. Thompson of Heuvelon and R. Y. de Wolf of Oneida. The board which includes in its membership Governor Lehman, Henry Morgenthau, jr., conservation commissioner, made the selections.

## Section 2

## Banking

An editorial in The Wall Street Journal for January 18 says: "...For some of the firmest opponents of branch banking, in the unrestricted forms of it which the independents see as in a nightmare, are to be found among executives of big city institutions. Not a few of these are convinced that the extremely centralized school of banking successfully practiced in other countries is ill-adapted to the genius of American business life, that it might give rise here to abuses to which it is not subject under wholly different national temperaments and that the security and efficiency it seems to offer would be purchased at too high a price, even assuming that we could substantially realize them. At the same time there are numbers of competent and successful bankers in the smaller towns and cities who believe that a cautious and carefully restrained extension of branch banking practice offers a safe, partial relief from the affliction of 'over-banking' which the new association of independents admits to exist but proposes to correct only through more restricted chartering by Federal and State Governments. That offers no true alternative to what the Glass bill proposes, which is to open the door to the absorption by stronger and more liquid institutions of existing banks whose ability to carry on as independents may be more or less in doubt. With the Vandenberg amendment, Section 19 of the Glass bill would permit a bank to establish a branch only by taking over an existing institution, 'except in a city, town or village where there is no national or State bank regularly transacting customary banking business.' Thus the bill seeks to protect the independent units from the danger of what may be called predatory branching by more powerful banks. In its present form the Glass bill undertakes to permit the development of branch banking within limits always to be set by the Federal Reserve Board, side by side with but not replacing the familiar independent unit system. It contemplates a gradual reduction of the number of banks by means of which a considerable number of independent units would doubtless be glad to avail themselves."

## Barter in

An editorial in California Cultivator for January 14 says: "We have from time to time, suggested that we might all recover more quickly from the effects of the depression if, for the time being at least, we would get back to that old-fashioned idea of trading that of which we have a surplus for the things our neighbor has and for which we may have need, rather than continuing our present practice of selling what we don't need at an extremely low price and usually paying two or more middlemen's profits on what we buy. It is therefore interesting to note that here and there over the country farming communities are putting this old-fashioned idea into practice with most satisfactory results. The following taken from 'The Washington Farmer' indicates how successfully one community in that State is weathering the depression by adopting this idea: 'Residents of Kartar, small Okanogan County community, have no need for a community chest drive or for other welfare organizations. They have worked out a system of barter, using



farm products, that insures them well-stocked larders this winter despite low prices. Most ranchers have canned fruit and vegetables raised during the summer. Several have sold steers and bought potatoes from their neighbors. Others have traded lambs for hogs, hogs for chickens, eggs for potatoes, etc. Several others are paying bills with chickens and livestock....By these various economies and swaps, every family in the Kartar district expects to have plenty of food to last out the winter and they are letting next summer take care of itself.'..."

#### Economic

#### Readjust- ments

Walter N. Polakov, consulting management engineer, writing under the title "Power as a Factor in Economic Readjustments" in The Annals of The American Academy of Political and Social Science for January, says: "...Let us consider what opportunities are present for the reabsorption of the unemployed by industry....First, it is inevitable that a further progress in power production and labor saving technique will continue. The technique of planning will gradually reduce the seasonal fluctuations, overstocking, and preventable idleness, and force the elimination of obsolete equipment and obsolete methods. Later on, the technique of planning will be applied to all industries and eventually to the nation. Second, it likewise seems incapable that the practice of charging to the product the overhead accumulated by the idle portion of a plant and equipment will have to be discontinued and all idle expense will be charged as a loss of the business and not as a cost to the consumer. This may precede or follow the scrapping of useless or obsolete equipment; but it involves writing off of the books the already amortized portion of the investment and other fictitious values.... Third, if the continued increase of productive potentialities, through the labor-saving attainments of science and engineering, is to be taken advantage of, we shall see the day work lighter, hours shorter, and culture higher, instead of reduction of the number of workers and preservation of the old number of hours. The trend is already indicated to reduce the number of hours and increase the number of workers. Without, however, the raising of 'real' wages, this would be tantamount to sharing the unemployment. The present practice of 2,400 man hours per year is far in excess of the socially necessary 1,200 or 1,400 man hours per year. Hence, a six-hour day and four days per week will have to be adopted generally; and the sooner the better. The wages, however, should be revised in proportion to the rising productivity of labor. This is not probable under the present price system. Therefore the recovery will be slow, and re-employment only partial and incomplete...."

#### Food Prices

Retail food prices in 51 cities of the United States, as reported to the Bureau of Labor Statistics of the United States Department of Labor, showed an average decrease of about three-fourths of 1 per cent on December 15, 1932, when compared with November 15, 1932, and an average decrease of a little less than 14 per cent since December 15, 1931. The bureau's weighted index numbers, with average prices in 1913 as 100.0, were 114.3



for December 15, 1931; 99.4 for November 15, 1932; and 98.7 for December 15, 1932. During the month from November 15, 1932, to December 15, 1932, the following articles decreased in average price for the month: Rolled oats, 19 per cent; pork chops, 13 per cent; lard and oranges, 7 per cent; sirloin steak, round steak, chuck roast, and hens, 5 per cent; plate beef, sliced bacon, sliced ham, and navy beans, 4 per cent; rib roast, flour, corn meal, rice, and raisins, 3 per cent; fresh milk, 2 per cent; lamb, canned red salmon, vegetable lard substitute, bread, macaroni, canned peas, canned tomatoes, and coffee, 1 per cent; and wheat cereal and tea, less than five-tenths of 1 per cent. Increases were shown in the average price of the following: Cabbage, 9 per cent; evaporated milk and butter, 8 per cent; potatoes, 7 per cent; strictly fresh eggs, 6 per cent; bananas, 5 per cent; onions, 4 per cent; and margarine and prunes, 1 per cent. The following articles showed no change in the month: Cheese, cornflakes, pork and beans, canned corn, and sugar.

Mexican Bulletin of The Pan American Union for January says:  
Reforestation "The conservation of forests and the problems of reforestation have for many years received much attention in Mexico. The Mexican Forestry Association was established in 1922, and its work during the past 10 years is indeed worthy of the highest praise. It promoted the celebration of National Arbor Day, an initiative which found hearty support throughout the nation. During the last three years the celebration has been extended to include the week of February 14-20, any day in which may be observed locally as Arbor Day. Official recognition was given this celebration by a presidential proclamation issued in 1932. The General Bureau of Agriculture is conducting through its regional agents in the various sections of the country an active campaign for the promotion of reforestation. This campaign embraces the cultivation of fruit trees, vines, and vegetables.... A technical course in reforestation has been added to the curriculum of the vocational school at Tlalpan. This course is to be supplemented by practical experiments to be conducted on land furnished by the General Bureau of Agriculture."

Vitamin B. A London dispatch January 18 reports: "The anti-neuritic  
Produced vitamin B has been produced by the action of ultraviolet rays on adenine sulphate, B.C. Guha and P.N. Chakravorty of the Bengal Chemical and Pharmaceutical Works, Calcutta, have reported by cable to the scientific journal, Nature, published at London. Thus it appears that two vitamins are produced by activation of a chemical with ultraviolet light. Scientists found several years ago that rickets-preventing vitamin D is formed by the action of ultraviolet light on ergosterol. Vitamin B is found naturally in the bran layers of cereals, in vegetables, milk, eggs, liver and pancreas. Professor Adolf Windaus of the University of Gottingen isolated the vitamin in pure form a year ago....The Indian report indicates that the vitamin is the type of compound known as a purin."

Wool                      The Commercial Bulletin (Boston) for January 14 says:  
 Market                "There has been a fair turnover in territory wools this week, especially wools of the French combing fine and fine medium types, for which prices have held fairly steady. Otherwise, the demand has been very moderate, with prices hardly changed for the week. The manufacturing outlook is considered encouraging, although some let-down in the manufacture of men's wear lines is reported at the mills. This is regarded, however, as hardly more than temporary. The wool top market is firm. The foreign markets are very firm, with a tendency for prices to advance, if anything. A strong opening, 5 to 10 per cent above the close of the previous series, is expected at London Tuesday. Australian markets are very firm. Little new is reported from the West. A half-dollar per head is being advanced on pre-shearing loans in Texas and Arizona."

### Section 3 MARKET QUOTATIONS

Farm                      Jan. 18.--Grain: No.1 dark northern spring\* Minneap-  
 Products                olis 47 1/2 to 49 1/2¢; No.1 northern spring\* Minneapolis 46 1/2  
                              to 48 1/2¢; No.1 hard winter\* Kansas City 41 1/2 to 42 3/4¢;  
                              No.2 hard winter\* Kansas City 41 1/4 to 42 1/4¢; Chicago 48¢;  
                              St. Louis 48 1/2¢; No.1 S. R. Winter St. Louis 51¢; No.2 S.R.  
                              Winter Kansas City 41 1/2 to 47 1/2¢ (Nom.); St. Louis 49 1/2¢;  
                              No.1 W. Wh. Portland 40¢; No.2 Am. Dur.\* Minneapolis 40 3/4 to  
                              43 3/4¢; No.1 Durum (Duluth) 44 3/4 to 46 3/4¢; No.2 rye Minneap-  
                              olis 30 3/4 to 32 3/4¢; No.2 mixed corn 18 to 19¢; Kansas City  
                              22 to 22 1/2¢; Chicago 23 1/4 (Nom.); St. Louis 23 to 23 1/2¢;  
                              No.2 white corn Kansas City 22 1/4 to 22 3/4¢; St. Louis 24¢  
                              (Nom.); No.2 yellow corn Minneapolis 22 to 23¢; Kansas City  
                              22 1/4 to 22 3/4¢; Chicago 24¢; St. Louis 23 1/2 to 24¢; No.3  
                              yellow corn Minneapolis 20 to 21¢; Kansas City 21 1/2 to 21 3/4¢;  
                              Chicago 22 3/4 to 24¢; St. Louis 22 1/2 to 23 1/4¢; No.2 white  
                              oats Minneapolis 14 1/8 to 14 5/8¢; Kansas City 17 to 17 1/2¢  
                              (Nom.); Chicago 16 1/2 to 16 3/4¢; St. Louis 17 1/2¢; No.3 white  
                              oats Minneapolis 13 5/8 to 14 1/8¢; Kansas City 16¢; Chicago 16  
                              to 16 1/4¢; St. Louis 17¢ (Nom.); Special No.2 barley Minneapolis  
                              26 to 27¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.12 1/2  
                              to \$1.16 1/2.

Livestock at Chicago: Slaughter cattle, calves and  
 vealers, steers (1100-1500 lbs.) good and choice \$4 to \$7.25;  
 cows, good \$2.75 to \$3.50; heifers (550-750 lbs.) good and choice  
 \$4.75 to \$6.75; vealers, good and choice \$5 to \$6.75; feeder and  
 stocker cattle, steers, good and choice, \$4.25 to \$5.50; 160-200  
 lbs. good and choice \$3.20 to \$3.30; 200-250 lbs. good and choice  
 \$3.05 to \$3.30; 250-350 lbs. good and choice \$2.70 to \$3.10;  
 slaughter pigs, 100-130 lbs. good and choice \$2.60 to \$3.10;  
 slaughter sheep and lambs; lambs, good and choice (90 lbs. down)  
 \$5.75 to \$6.35.

\*Prices basis ordinary protein.

Maine sacked Green Mountain potatoes ranged 95¢-\$1.20 per 100 pounds in eastern cities; few 48¢-50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 67½¢-70¢ carlot sales in Chicago; 49¢-52¢ f.o.b. Waupaca. New York Danish type cabbage \$10-\$14 bulk per ton in terminal markets; \$5 f.o.b. Rochester. Florida Pointed type 50¢-\$1 per 1½-bushel hampers in eastern cities. Texas Round and Flat type \$1.25-\$1.50 per western lettuce crate in Chicago; 50¢-60¢ f.o.b. Lower Rio Grande Valley points. New York and Midwestern yellow varieties of onions brought 30¢-60¢ per 50-pound sack in consuming centers; few 27¢-33¢ f.o.b. Rochester and 25¢ f.o.b. West Michigan points. New York McIntosh apples, No.1, 2½ inches, \$1-\$1.25 and Rhode Island Greenings 50¢-75¢ per bushel tub in New York City; f.o.b. sales of Rhode Island Greenings 65¢ at Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¼¢; 91 score, 19¢; 90 score, 18¾¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 12 to 12¼¢; Young Americas, 12 to 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 22½ to 23½¢; Standards, 22 to 22¼¢; Rehandled Receipts, 20¾ to 21¢.

Average price Middling spot cotton 10 designated markets declined 12 points to 5.97¢ per lb. On the same day one year ago the price was 6.26¢. January future contracts on the New York Cotton Exchange declined 9 points to 6.06¢, and on the New Orleans Cotton Exchange declined 10 points to 6.01¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 16

Section 1

January 20, 1933.

## GOVERNMENT

### REORGANIZATION

Voting unanimously, House Democrats yesterday rejected the reorganization proposals of President Hoover and thus forced over into the new administration any readjustment of the Federal establishment for the sake of economy, says the press today.

## CLOSURE FAILS

### BUT DEBATE LIMITED

The press today reports that by the margin of one vote the Senate yesterday refused to adopt a closure or "gag" rule to choke off the filibuster led by Senator Huey P. Long, of Louisiana, against the Glass banking bill. But after refusing to adopt closure it faced about and entered into an agreement to limit debate on the measure, and thus virtually ended the filibuster by pacific methods. A two-thirds vote was required for passage, and the roll call showed 30 against closure and 58 supporting it.

## MORTGAGE

### HOLIDAYS ASKED

A Des Moines dispatch today says: "A proclamation asking holders of realty or personal property mortgages in Iowa to refrain from foreclosing until legislative bodies have had time to enact legislation meeting the economic emergency was issued yesterday by Gov. Clyde Herring.

An Indianapolis dispatch says: "The House of Representatives yesterday concurred in a Senate amendment to the bill declaring a one-year moratorium on the sale of property on which taxes have become delinquent. The measure now goes to Gov. Paul V. McNutt."

## WORLD PARLEY AGENDA

A Geneva dispatch today says: "Economists preparing a program for the projected world economic conference January 19 excluded from their recommended agenda any discussion of war debts, but they acknowledged the importance of this problem with the assertion that until it is settled economic reconstruction will be extremely difficult. The program which they drew up after two months' work and published yesterday recommends discussions of these six paramount matters: First--Monetary and credit policies. Second--Prices. Third--Resumption of the movement of capital. Fourth--Restrictions on international trade. Fifth--Tariff and treaty policies. Sixth--Organization of production and trade. Such a program as this, the authors declare, should make the projected conference successful and blaze the trail back toward prosperity...."

## WESTERN GRAIN FREIGHT RATE

The Interstate Commerce Commission yesterday refused the petition of the Chicago Board of Trade and nine Middle Western terminal grain-market organizations asking dismissal of the western grain freight-rate case, according to the press today. The report says: "The order overruling the motion did not set forth reasons. The western grain-rate case has been before the commission since 1926. It was originally started as portion of the nation-wide inquiry into freight rates under the Hoch-Smith resolution, ordering the commission to establish proper basis for freight rates...."

## Section 2

Butler on Dr. Nicholas Murray Butler, president of Columbia  
 Depression University and of the Carnegie Endowment for International  
 Aids Peace, set forth a five-point program for promoting world peace  
 and hastening the end of the depression in a radio address January  
 14. Dr. Butler offered these five points: 1. Actual disarmament,  
 and not mere equalization of armaments at the forthcoming disarmament  
 conference. 2. Action at the coming economic conference to restore  
 world trade, markets for our farms and factories, railway traffic  
 and employment, by removing barriers to world trade without  
 hindrance from 'outworn political formulas, traditions and passwords.'  
 3. Immediate favorable reply by Washington to the request of the  
 debtor nations for war debt reconsideration, and quick settlement  
 in the spirit of the Lausanne reparations agreement. 4. Senate  
 ratification of the World Court protocol. 5. Increased cooperation  
 with the League of Nations.

Cost of Living The December, 1932, cost of living index number for the  
 United States, as compiled by the Bureau of Labor Statistics of  
 the Department of Labor, shows a decrease of 2.7 per cent since  
 the preceding June. The cost in December reached a point 7.2  
 per cent lower than in 1917, but was still 32.1 per cent higher  
 than in 1913. Food, however, in December, 1932, was 1.3 per cent  
 lower than in 1913. Since June, 1920, the peak month, cost of  
 living has decreased 39.0 per cent. The decline has been specially  
 noticeable since the beginning of the depression. The decreases  
 from June, 1932, to December, 1932, varied for the six groups of  
 items. Food decreased 1.4 per cent, clothing decreased 4.9 per  
 cent, rent decreased 7.7 per cent, fuel and light decreased 0.1  
 per cent, housefurnishing goods decreased 3.9 per cent, and mis-  
 cellaneous items decreased 1.4 per cent. In the year period  
 from December, 1931, to December, 1932, cost of living decreased  
 9.4 per cent. Food decreased 13.6 per cent, clothing decreased  
 10.3 per cent, rent decreased 13.4 per cent, fuel and light de-  
 creased 6.6 per cent, housefurnishing goods decreased 11.8 per  
 cent, and miscellaneous items decreased 3.0 per cent. In the  
 2-year interval, December, 1930, to December, 1932, the cost  
 of living decreased 17.8 per cent. Food decreased 28.1 per  
 cent, clothing decreased 20.6 per cent, rent decreased 19.5 per  
 cent, fuel and light decreased 10.3 per cent, housefurnishing  
 goods decreased 21.7 per cent, and miscellaneous items de-  
 creased 4.2 per cent. In the 3-year period, December, 1929, to  
 December, 1932, the cost of living decreased 22.9 per cent.  
 Food decreased 37.5 per cent, clothing decreased 24.3 per cent,  
 rent decreased 22.3 per cent, fuel and light decreased 12.2 per  
 cent, housefurnishing goods decreased 25.4 per cent, and mis-  
 cellaneous items decreased 4.1 per cent.

Federal Job Man- Lillian M. Gilbreth, consulting engineer in manage-  
 agement ment problems, writing at length under the title "How Can  
 Federal Expenditures Be Reduced?" in The Annals of the American  
 Academy of Political and Social Science for January, says: "...  
 The results of activity in the field of planning should be: (1)  
 the elimination of unnecessary work; (2) the elimination of even



partial duplication; (3) the selection of more effective persons to do the work; (4) the assurance that the work will be done efficiently; (5) checks on maintenance; (6) a technique of adaptation and improvement; and (7) standardization, in the best sense of the term. Even without all this careful analysis, much can be done by asking a few simple questions: (1) Does the work need to be done? (2) Is the persons doing it the best available person? (3) Is the best available method being used? (4) Are the results satisfactory? It is surprising what economics result from putting these questions and trying to follow through the answers....The second way of effecting economics is to study the scope of the things now being done, from the standpoint of service. Perhaps it would be wise to reduce the number of things being done or to restrict it definitely to its present scope, in order to simplify the problem of maintenance. The scope might even be expanded if the budgets indicate a possibility of this. It is always wise to know in advance where such expansion could best take place if the possibility developed. If the series of economics that might result from more effective doing of what is now included in the scope were looked upon as a possible source of assets for expansion of this scope, there would be an effective interlocking of the two methods of making economics...."

#### Fur Outlook

An editorial in Hunter-Trader-Trapper for February says:

"During the past month raw furs have about held their own. Although prices are still low, the outlook is not very bright for any rise this season. Dealers claim more furs coming in this year than in previous years, which also indicates that prices would keep to their present level. The following is a comparison of furs in demand at this time: Opossum are from five to ten per cent lower, although good quality is coming in now. Mink average somewhat lower account of colors starting to slip. Raccoon, good heavy, about five per cent lower than last quotations. Red fox firm and inclined to rise somewhat. Wolf, no change, only best fine heavy and silky wolf wanted, all others neglected. Gray fox about five per cent higher than last month. Brown weasel are bringing higher prices than the white which is unusual, but no doubt the demand this year is for the brown. Skunk, no change. Muskrat, firm."

#### Kansas Farm Banks

The Federal Intermediate Credit Bank of Wichita announced the first of this week that financing institutions discounting farmers' notes with it can now charge an interest rate not exceeding  $5\frac{3}{4}$  per cent. "Because the Federal Intermediate Credit Bank was able to sell its debentures bearing a very low rate of interest," announced John Fields, president of the institution, "the loan and discount rate of the bank was reduced on January 16 from  $3\frac{1}{2}$  per cent to  $2\frac{3}{4}$  per cent. This is just one-half of the rate that was charged at the beginning of 1932. The reduction in rate is largely attributable to the beneficial effect of the Act of Congress last May which made the debentures of the Federal Intermediate Credit Banks eligible as collateral security for loans made to member banks by Federal Reserve Banks.



This made the debentures more liquid and more desirable, from an investment standpoint. The action of Congress was reflected by a reduction in interest rate by the Federal Intermediate Credit Bank to  $3\frac{1}{2}$  per cent on June 15, 1932. The lower rate, just established, is a combination of the reflection of the liquidity of these bonds and their desirability as an investment plus a general low rate on short-term paper. The discounting of stockmen's and farmers' notes for financing institutions by the Federal Intermediate Credit Bank has increased materially in the last year," continued Mr. Fields. "In fact, at the close of 1932, it was two-thirds greater than at the end of 1931 and larger than at the end of any previous month since the bank began business in 1923. The total direct loans to cooperatives, however, was smaller. Discounts for financing institutions totaled \$4,143,890 at the close of 1932 while loans to farmers' cooperative marketing associations totaled only \$93,000." (Press, Jan. 20.)

Rhode Island Agri-culture      An editorial in The Rural-New Yorker for January 21 says: "Rhode Island is usually considered an industrial State, yet it has a very significant and important agriculture. The farm population of Rhode Island numbers over 10,000 persons on approximately 3,000 farms. The average Rhode Island farm is  $8\frac{1}{4}$  acres in area. There is invested in Rhode Island agriculture in land, buildings, equipment, etc., \$41,000,000. This returns each year to those engaged in it, close to \$10,000,000 in cash revenue, not to mention the sustenance going directly to the farmer and his family. The production of fluid milk represents approximately one-half of the total income from the farms. Of the 3,000 farms in the State, cows are found on about 2,200; 1,183 are classified as dairy farms, as they are farms from which the major income is derived from dairy cattle. There are in Rhode Island approximately 28,500 cattle, of which slightly over 20,000 are milk cows, two years or older. These cows produce 67 per cent of the State's milk requirements, with volume increasing."

Starling Tribes      An editorial in The New York Times for January 14 says: "The occupation of the limestone ledges and statue niches of the New York Metropolitan Museum of Art by myriads of starlings every evening may be a curious spectacle, but it is naturally regarded as a nuisance. The fact is that the small colony of starlings (sixty) introduced in this State in 1890 has become a mighty host. As a family bird the starling has no superior. The male as well as the female looks after the young. This is not true of all wild birds. The starling is remarkably healthy, vigorous and enduring. It forms governments, establishes communities, and its principle of living is all for one and one for all. It moves about in immense flocks that evidently are drilled in evolutions and have commanders. As well try to exterminate the crows as destroy the starlings. They have adopted America and will not be banished. Previously they had taken possession of Europe, Asia and Africa. Not long ago they invaded London and took a lease of some of the most imposing buildings. Temples, mosques and pagodas in Asia they inhabit at will. So it is not strange that

they have decided to set up their penates for a while at the Metropolitan Museum of Art. By day they scour Long Island, Westchester and suburban New Jersey for provender....A British authority says that the identification of starlings the world over is difficult, because there has been so much transformation of species, due to climate and method of life. A census of starlings would give prodigious results. *Sturnus vulgaris* is enough for the United States.

### Section 3 MARKET QUOTATIONS

Farm Jan. 19.--Grain: No.1 dark northern spring\* Minneapolis 48 5/8 to 50 5/8¢; No.1 northern spring\* Minneapolis 47 5/8 to 49 5/8¢; No.1 hard winter\* Kansas City 42 to 43¢; No.2 hard winter\* Kansas City 41 3/4 to 42 1/2¢; St. Louis 49¢ (Nom.); No.1 S.R. Winter St. Louis 50 1/2 to 51¢; No.2 S.R. Winter Kansas City 42 3/4¢; St. Louis 50¢ (Nom.); No.1 W. Wh. Portland 42¢; No.2 Am. Dur.\* Minneapolis 42 to 45¢; No.1 Durum (Duluth) 46 to 48¢; No.2 rye Minneapolis 31 1/2 to 33 1/2¢; No.2 mixed corn Minneapolis 18 1/2 to 19 1/2¢; Kansas City 22 to 22 1/2¢; Chicago 24¢ (Nom.); St. Louis 23 to 23 1/2¢; No.2 white corn Kansas City 22 1/2 to 23¢; St. Louis 23 1/2 to 24¢ (Nom.); No.2 yellow corn Minneapolis 22 1/2 to 23 1/2¢; Kansas City 22 1/2 to 23¢; Chicago 25¢ (Nom.); St. Louis 24 1/4 to 24 3/4¢; No.3 yellow corn Minneapolis 20 1/2 to 21 1/2¢; Kansas City 22 to 22 1/2¢; Chicago 22 3/4 to 24¢; St. Louis 22 7/8 to 23 1/2¢; No.2 white oats Minneapolis 14 1/2 to 15¢; Kansas City 17 to 17 1/2¢; Chicago 16 3/4¢; St. Louis 17 3/4¢; No.3 white oats 14 to 14 1/2¢; Kansas City 16 to 16 1/2¢; Chicago 16 1/4 to 16 3/4¢; St. Louis 17 1/4 (Nom.); Special No.2 barley Minneapolis 26 to 27¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.14 1/2 to \$1.18 1/2.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$3.75 to \$7.25; cows, good, \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$4.75 to \$6.75; vealers, good and choice, \$5.50 to \$7.25; feeder and stocker cattle, steers, good and choice, \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.30 to \$3.40; 200-250 lbs. good and choice \$3.15 to \$3.40; 250-350 lbs. good and choice \$2.75 to \$3.20; slaughter pigs, 100-130 lbs. good and choice \$2.75 to \$3.25; slaughter sheep and lambs, lambs, good and choice (90 lbs. down) \$5.75 to \$6.35.

Maine sacked Green Mountain potatoes ranged 95¢-\$1.15 per 100 pounds in eastern cities; few 48¢-50¢ f.o.b. Presque Isle. Wisconsin sacked Round Whites 67 1/2¢-70¢ carlot sales in Chicago; 49¢-50¢ f.o.b. Waupaca. New York Danish type cabbage \$9-\$13 bulk per ton in terminal markets; \$5-\$6 f.o.b. Rochester. Florida Pointed type 50¢-90¢ per 1 1/2-bushel hamper in the East. Texas Round and Flat type \$1.25-\$1.40 per western lettuce crate

in Chicago; 50¢-60¢ f.o.b. Lower Valley Points. New York and Midwestern yellow varieties of onions brought 30¢-60¢ per 50-pound sack in consuming centers with f.o.b. sales at Rochester 30¢-33¢ and West Michigan Points 25¢. New York McIntosh apples, No. 1, 2½ inches, \$1-\$1.25; Rhode Island Greenings 65¢-80¢ and Wealthys 75¢-85¢ per bushel tub in New York City; 65¢-70¢ f.o.b. Rochester on Rhode Island Greenings.

Wholesale prices of fresh creamery butter at New York were: 92 score, 19¼¢; 91 score, 19¢; 90 score, 19¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 11½ to 12¼¢; Young Americas, 12 to 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 23 to 23½¢; Standards, 22 to 22½¢; Rehandled Receipts, 21 to 21½¢.

Average price of Middling spot cotton in eight markets (Norfolk and Savannah, holiday) advanced 4 points to 5.97¢ per lb. On the corresponding date one year ago the price stood at 6.24¢. January future contracts on the New York Cotton Exchange advanced 2 points to 6.08¢, and on the New Orleans Cotton Exchange advanced 5 points to 6.06¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVIII, No. 17

Section 1

January 21, 1933.

**BRITONS INVITED TO REOPEN DEBT ISSUE** The press today says: "Three hours after President-elect Roosevelt had left Washington for his sojourn South yesterday, Secretary of State Henry L. Stimson formally invited the British government in his name to send representatives to Washington to confer on the war debts and ways and means for improving the world situation. "...This step had been decided on at the White House conference between President Hoover and his successor yesterday morning...."

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**FEDERAL ROAD AID** A Detroit dispatch January 18 states that the country's road builders gathered at Detroit January 17 to act on resolutions opposing diversion of highway funds to other purposes, and advocating the continuance of Federal highway aid to the States. The resolutions were prepared for presentation at the first general session of the Highway and Building Congress, comprising 22 groups of men interested in a multitude of construction industries.

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**RAIL RATES** Opposition to collection after March 31 of the emergency freight rates authorized a year ago by the Interstate Commerce Commission was voiced in forty-six briefs and statements filed with the commission January 18 by business and industrial associations whose members are affected by the surcharge. The higher rates are scheduled to expire at the end of March, and the railroads, through the Association of Railway Executives, have petitioned the commission for authority to continue collecting them for an indefinite period without being required to pool the resulting revenues with the Railroad Credit Corporation for disbursement in loans to roads otherwise unable to meet fixed charges. In support of their request, the railroads have told the commission that since only a few roads are earning fixed charges, and as those not earning them would not be made to do so by loans from the credit corporation, each road should be permitted to retain the revenues accruing from the emergency rates. (Press, Jan. 15.)

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**N.Y. MILK PRICE BOARD** A Watertown, N.Y., dispatch states that organization of the milk producers of New York State to fight for immediate legislation setting up a State authority to control milk prices was urged January 16 by Paul Smith of Newark Valley, a director of the Dairymen's League Cooperative Association, Inc., in a letter to Harold B. Johnson, editor of The Watertown Times and a member of the North Country Dairymen's Committee. Mr. Smith is one of the originators of the proposal, which has not received the support of the league. The report says: "The letter was received almost coincidentally with the announcement of further reductions in the prices the dairymen are receiving for their milk. The cuts ranged from 10 to 14 cents a hundredweight in December prices and was a result of a doorstep delivery reduction of 1 cent in the metropolitan area. Sheffield paid \$1.10 a drop of 14 cents; the league, 98 cents, a drop of 10, and Hygienic Dairy, an independent organization, \$1.10, a drop of 10 cents."

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## Section 2

Building  
Permits

There was a decrease of 19.5 per cent in indicated expenditures for total building operations comparing permits issued in December, 1932, with those issued in November, 1932, according to reports received by the Bureau of Labor Statistics of the United States Department of Labor, from 348 identical cities having a population of 25,000 and over. Indicated expenditures for all building operations for which permits were issued in these cities for December was \$30,600,936. Comparing December with November, there was a decrease of 30.5 per cent in the number and 25.9 per cent in the estimated cost of new residential buildings. New nonresidential buildings decreased 40.7 per cent in number and 20.7 per cent in indicated expenditures. There was a decrease of 29.6 per cent in the number of additions, alterations, and repairs, and a decrease of 8.1 per cent in the indicated expenditures for this class of work. During December, 1932, 1,196 family-dwelling units were provided in new buildings. This is a decrease of 22.2 per cent as compared with November, 1932. Various agencies of the United States Government awarded contracts during December for buildings to cost \$11,705,122. This is nearly \$5,000,000 less than the value of contracts awarded during November, 1932, and about \$200,000 less than the value of contracts awarded by the Federal Government during December, 1931. Comparing permits issued in 339 identical cities, during December, 1932, and December, 1931, there was a decrease of 62.1 per cent in the number and a decrease of 70.8 per cent in the estimated cost of new residential buildings. New nonresidential buildings decreased 47.3 per cent in number and 45.8 per cent in cost. The number of additions, alterations, and repairs decreased 22.1 per cent, while expenditures for this class of work decreased 44.6 per cent. Indicated expenditures for all classes of building operations decreased 51.5 per cent while the number of building operations decreased 33.6 per cent comparing these two periods. The number of family-dwelling units decreased 66.2 per cent comparing December, 1932, with December, 1931.

Business  
Promotions  
in Argen-  
tina

Bulletin of The Pan American Union for January says: "The American Trade Commissioner in Buenos Aires reports that the Argentine Post Office has embarked on a new plan of increasing retail sales among Buenos Aires merchants, while also increasing postal savings. This is to be effected by issuing postage stamps in the form of booklets, which have not hitherto been available in Argentina....The novelty of the plan lies in the fact that in addition to the small sheet of stamps each book contains approximately 50 pages, in which appear advertisements of local stores or products and a list of probably 150 retail stores, theaters, moving-picture houses, dental parlors, etc. Each sheet is perforated, and upon its delivery to the store mentioned on it a discount will be granted in the purchase of any merchandise. The amount of the discount varies from 5 to 10 per cent, depending upon the store, but the moving-picture theaters grant 50 per cent discounts on each ticket. This discount is not paid in cash, but in the form of a postal-savings



stamp. Such stamps, when they reach 1 paper peso or more, may be presented to any post office and deposited to the credit of the owner in an account bearing interest at the regular postal savings bank rates. It is stated that the amounts may be drawn in cash or individual deposits made to the account apart from any purchase in merchandise. Additional data useful to the purchaser of postage stamps include a list of postal substations and details on postal rates."

Cattle  
Raising  
in South-  
east.

An editorial in The Florida Times-Union for January 14 says: "An interesting article in the current number of the Florida Farm and Live Stock Record, published in Jacksonville, written by H. H. Rothe, discusses the possibilities of more rapid progress in the cattle raising industry in the Southeast, with special reference to what might be done in Florida. Mr. Rothe, who has had considerable experience in the West in the cattle business, proposes that a new beef type breed of cattle be developed: 'A breed,' he says, 'that will be adapted to range conditions in these vast Southeastern Coastal plains and cut-over lands.' This it is declared should be a breed that will meet in much greater measure the market demand for improved beef that is better than our native cattle provides. In general this proposed new breed must have ability to take care of itself, in Florida pasture lands, and grow more quickly and more easily than what we now have, in native stock....In suggesting the desirability of raising cattle for foreign markets Mr. Rothe urges the development of a Florida stock that will be acceptable to a very great demand. This is important for two reasons, it is said. First, the Southeast is the logical production area by reason of unusual shipping facilities, nearness to market and cost of production. Second, it is the logical starting point because it is something real, now existing and therefore will serve as a model. Into much greater detail and with definite proposals set up, and suggestions that will be considered perhaps by those who have thought of investment is the opportunity Florida presents...."

Dahlias  
For World  
Fair

Southern Florist for January 13 says: "The Central States Dahlia Society announces that definite arrangements have been made to hold the very first international all-dahlia show ever held in the annals of dahlia culture. Invitations are being sent to over 3,000 individuals, societies, trade papers, newspapers, amateur, professional and commercial growers in all parts of the United States, European countries, Canada, Australia, Mexico, Bermuda, and also some South American countries to participate either in person or through growing of dahlia tubers in the World's Fair grounds or in a private dahlia garden of the society in Chicago. Over 1,000 entries are expected, and over 25,000 blooms of the latest and best dahlia varieties will be arranged for and on exhibit for seven days, September 16 to 22, 1933...."

Florida's  
Festivals

An editorial in The Florida Times-Union for January 11 says: "Certain festivals that are held annually in Florida are unique. Central Florida has its Orange Festival, staged annually in Winter Haven, in the very heart of the citrus fruit



section of the State. Hardee County has its Strawberry Festival, and, more recently, tung tree growers in the Gainesville section have established the Tung Blossom Festival, held annually in the capital city of Alachua County. The festivals above named, and others, are held to celebrate the growing of products of the soil, as indicated. The products thus particularly brought to public attention are worthy of special notice because of the quantities produced, their value, and their quality, or worthwhileness to the producers, in money value, as well as in value to the consumers. In other words, these festivals mark the production of agricultural crops for which Florida has become noted. Practically everybody knows that citrus fruits, oranges, grapefruit and tangerines, are produced in Florida every year in enormous quantities, all of them of superior excellence, due to Florida soil and sunshine; also, due to the most advanced methods of cultivation. But everybody does not know the importance of these products of the soil, and their particular significance to this State and its people. Hence, these festivals, through which the public can be enabled to understand more completely what these special lines of agricultural industry, as developed in this State, mean to Florida...."

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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 18

Section 1

January 23, 1933.

## R.F.C. LOANS

Emergency relief loans were authorized January 21 by the Reconstruction Finance Corporation to Virginia and Idaho, the former receiving \$351,654 and the latter \$18,000, according to the press of January 22. The report says: "The Virginia loan is to care for the needs of twelve counties and four cities during January and February. The Governor notified the corporation that the State Highway Department of Virginia has turned all of its funds into relief work except that necessary to buy materials and supplies. Other departments also are assisting....The Reconstruction Finance Corporation reported January 21 that loans had been made to 104 banks and other financial institutions in Virginia up to December 31...."

In a statement reviewing its operations during the eleven months of its existence, ended December 31 last, the Reconstruction Finance Corporation yesterday revealed that it had advanced loans totaling \$1,648,000,000, or slightly less than one-half of funds made available under the law. A press report says: "Of this total, however, \$1,427,602,122 has been advanced to railroads, banks, insurance companies and other financial institutions under the terms of the original reconstruction finance act; \$100,993,175 to States to relieve distress and only \$120,026,096 to assist agriculture and for the construction of self-liquidating projects...."

## FARM CONDITIONS IN MIDWEST

An Omaha, Neb., dispatch today says: "Economic conditions are rapidly approaching a crisis in farming affairs in the 'bread basket' States of Nebraska, Iowa, the Dakotas and others, and what will finally develop not even the experts can foresee. Thousands of farmers have joined and are joining the Farmers' 'Holiday Movement,' whose original object was to stop production and sale of farm products. This has now developed into a movement to halt mortgage foreclosures, stop tax sales, cut interest rates on mortgages already in existence, reduce the face of these mortgages, prevent deficiency judgments where the foreclosure sales do not return sufficient funds to satisfy the face of the mortgage, force advances in the prices of all sorts of farm products, reduce taxes, declare moratoriums on farm debts for two years, three years, five years and so on...."

## SCRIP IN NORTH DAKOTA

A Bismarck, N.D., dispatch today states that a state-wide scrip money plan, to "inject relief at the bottom, where it is needed," was proposed January 21 to the North Dakota Legislature in a special message from State Treasurer Alfred S. Dale. It was the second scrip plan proposed within a week. The other, for "bond currency," was presented in a bill by Representative H. T. Peterson.

## STYRIAN FARMERS' REVOLT

A Graz, Austria, dispatch says: "Unrest among Styrian farmers has been giving the authorities considerable trouble. Three days ago the Burgomeister and the bailiff of the village of Rechberg, near Vorau, were manhandled by a crowd and literally kicked off a farm where they attempted to auction a hog to collect taxes...."



## Section 2

Chase on Stuart T. Chase, writing in The New York Times of January 15, says: "Competent observers agree that whatever the Remedies causes of the depression, lack of effective purchasing power by the ultimate consumer is prolonging it, and that no recovery is possible until this purchasing power is available. Day by day it shrinks and the need for its expansion becomes more bitter. There are three major methods for stimulating purchasing power deliberately: 1. As part of a complete revision of the economic system on the principle of coordinated central planning. 2. By currency inflation, with or without a huge public works program. 3. By voluntary agreement of local communities and groups to accept the wooden money substitute. The first, in my opinion, is the ultimate and best way, but we shall hardly complete the necessary educational course to put it into operation in 1933. The second has been the subject of bitter dispute. The almost universal opposition of bankers and creditors does not presage early adoption. There is a chance, however, that it will be tried in 1933. Wisely guarded and administered, inflation can prove very hopeful; badly designed, it can prove almost fatal..."

Commodity Prices The index number of wholesale commodity prices as computed by the Bureau of Labor Statistics of the U. S. Department of Labor shows a decrease from November, 1932, to December, 1932. This index number, which includes 784 commodities or price series weighted according to the importance of each commodity and based on the average prices for the year 1926 as 100.0, averaged 62.6 for December as compared with 63.9 for November, showing a decrease of approximately 2 per cent between the two months. When compared with December, 1931, with an index number of 68.6 a decrease of nearly 9 per cent has been recorded in the 12 months. In the group of farm products decreases in the average prices of barley, corn, oats, wheat, cows, steers, hogs, cotton, lemons, oranges, fresh milk in Chicago and New York, peanuts and wool caused the group as a whole to decrease slightly more than  $5\frac{1}{2}$  per cent from the previous month. Increases were recorded in the average prices of rye, calves, sheep, live poultry, alfalfa, hay, hops, onions and potatoes. Among foods price decreases during the month were reported for lard, corn meal, dried fruits, cured and fresh beef, fresh pork, bacon, dressed poultry, cocoa beans, granulated and raw sugar and coconut and cotton seed oils. On the other hand butter, cheese, evaporated milk, rye and wheat flour, bananas, fresh lamb, mutton and veal averaged higher than in the month before. The group as a whole decreased about  $3\frac{3}{4}$  per cent in December when compared with November. The hides and leather products group decreased approximately  $2\frac{1}{2}$  per cent during the month due to further decreases in boots and shoes, hides and skins and leather. Other leather products showed no change in the average prices for the month. Textile products as a whole decreased slightly more than  $1\frac{1}{2}$  per cent from November to December due to declining prices for cotton goods, knit goods, silk and rayon, woolen and worsted goods and other textile products. The subgroup of clothing showed a light increase. In the group



of fuel and lighting materials sharp reductions in the average prices of crude petroleum and petroleum products and smaller reductions in all other subgroups caused this group as a whole to decline nearly 3 per cent during the month. Metals and metal products as a whole showed a downward tendency for December due to decreases in agricultural implements, iron and steel products and nonferrous metals. Fertilizer materials, chemicals and drugs and pharmaceuticals showed slight recessions during December causing the group to decline practically one-tenth of 1 per cent from the month before. Mixed fertilizer prices showed no change during the month. As a whole the house-furnishing-goods group showed a fractional decrease from the previous month, both furnishings and furniture shared in the slight decline. The group of miscellaneous commodities decreased approximately one-half of 1 per cent between November and December due to declining prices of cattle feed, paper and pulp, crude rubber and other miscellaneous articles with no change taking place in the average prices for automobile tires and tubes.

Economic  
Confer-  
ence

An editorial in The New York Times of January 20 says: "...It is now expected that the World Economic Conference will meet in London. The date has been tentatively set for some time in April. It would not be surprising if the actual month of meeting should be May or even June. But whatever the place or the time, its consequences will be vital to the hoped-for recovery. The world will be looking to the World Economic Conference with the eagerness which people display in watching for the sunlight to break through the clouds after days of storm. Many are cynically predicting that nothing but talk and pious resolutions will come out of the World Economic Conference. But the general expectation is pitched too high to permit any such complete failure."

Farm Bank-  
ing

A Chicago dispatch to The Wall St. Journal for January 20 says: "An effort to release farm purchasing power is being made by certain rural bankers in the Northwest through the establishment of independent agricultural credit corporations as bank affiliates, under the managements of the banks, but with new capital raised on a pro-rata basis from the bank's stockholders, and with regulations specifically adapted to meet rural credit conditions. Setting up of these credit corporations, which are few in number, is designed to divorce agricultural operating loans from straight commercial business. Their purpose is to provide more accessible funds for the farmer, longer note maturities and low stabilized interest rates which are viewed as necessary to rehabilitate farm credits. Rural financing is a burden to a commercial bank which must necessarily avoid a preponderance of long term maturities in order to maintain liquidity and flexibility... An outstanding example of the plan can be found at Benson, Minn., where the local bank operates the Swift County Agricultural Credit Corp. This corporation has a capital stock of \$25,000, which was raised among the present stockholders of the bank on a pro-rata basis. Its officers and directors are identical with

those of the bank and it is operated without incurring any additional expense for rent or clerk hire. Eighty per cent of the capital, or \$20,000, is invested in 4% bonds which are deposited with the Federal Intermediate Credit Bank of St. Paul as collateral security to its discounts. The balance of the capital, or \$5,000, is held as a revolving fund on deposit in the Benson Bank. At present, the credit corporation has \$50,000 on loan upon which it is earning 3%, or \$1,500 annually. This, with the earnings on its bonds, makes a total gross profit of \$2,300 on a capital issue of \$25,000, or 9.2%...."

Government  
Reorgan-  
ization

Henry P. Seidemann, of Institute for Government Research, writing on "Reducing Federal Expenditures" in The Annals of The American Academy of Political and Social Science for January, says: "...Reorganization is required not only for purposes of economy but quite as much in the interest of carrying out coordinated and consistent national policies. Reorganization in accordance with recognized fundamental principles would not only simplify the governmental structure, but would promote economy in operation by eliminating duplication of organization, plant, and personnel. For example, the creation of, say, a department of education and science, embracing all those agencies of the Government conducting research in the fields of education and the physical sciences, would permit of the consolidation, or even elimination in many cases, of laboratories, shops, and libraries now attached to such research agencies. It would reduce the expense of purchasing scientific apparatus, chemicals, and other materials of a technical character. Also, it would simplify the problem of securing, retaining, and directing a competent technical personnel. Marked economy would also result from the setting up of a department of public works and public domain; the centralization of all public health activities under a single administrative head; the bringing together of all agencies having to do with transportation and communication; and the logical regrouping of other existing services along functional lines. Likewise, the creation of a so-called 'Service of General Administration,' to be attached to the Office of the Chief Executive, and to include such agencies as the Bureau of the Budget, the Bureau of Efficiency, the Civil Service Commission, the General Supply Committee, the Government Printing Office, and certain others, would reduce the number of independent establishments, give executive departments a more unifunctional character, and be productive of substantial economies in the expenditure of public funds. Moreover, the grouping of such services as suggested would bring under a unified direction all 'institutional' services ministering generally to the conduct of purely business affairs of the administrative branch of the Government. These are but a few of the many changes that might be put forward to place the United States Government on a more efficient basis from the standpoint of organization...."



Wholesale Prices The Bureau of Labor Statistics of the U. S. Department of Labor announces that its index number of wholesale prices for the week ending January 14 stands at 62.0 as compared with 61.9 for the week ending January 7 showing an increase of approximately two-tenths of 1 per cent. These index numbers are derived from price quotations of 784 commodities, weighted according to the importance of each commodity and based on average prices for the year 1926 as 100.0.

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 20.--Grain: No.1 dark northern spring\* Minneapolis 48 1/4 to 50 1/4¢; No.1 northern spring\* Minneapolis 47 1/4 to 49 1/4¢; No.1 hard winter\* Kansas City 42 1/2 to 43 1/4¢; No.2 hard winter\* Kansas City 42 1/4 to 42 3/4¢; St. Louis 48 1/2¢ (Nom.); No.1 S. R. Winter St. Louis 50¢ (Nom.); No.2 S. R. Winter Kansas City 46 1/4¢; St. Louis 49 1/2¢ (Nom.); No.1 W. Wh. Portland 41 1/2¢; No.2 Am. Dur.\* Minneapolis 41 1/2 to 44 1/2¢; No.1 Durum (Duluth) 45 1/2 to 47 1/2¢; No.2 rye Minneapolis 31 to 33¢; No.2 mixed corn Minneapolis 18 1/2 to 19 1/2¢; Kansas City 22 1/4 to 22 3/4¢; St. Louis 24¢ (Nom.); No.2 white corn Kansas City 22 1/2 to 23¢; St. Louis 24 to 24 1/4¢ (Nom.); No.2 yellow corn Minneapolis 22 1/2 to 23 1/2¢; Kansas City 22 1/2 to 23¢; Chicago 25 1/4¢; St. Louis 24 3/4¢; No.3 yellow corn Minneapolis 20 1/2 to 21 1/2¢; Kansas City 22 to 22 1/2¢; Chicago 23 1/4 to 24¢; St. Louis 23 to 23 1/2¢; No.2 white oats Minneapolis 14 1/4 to 15 1/4¢; Kansas City 17 to 17 1/2¢; Chicago 17 to 17 1/2¢; St. Louis 18¢; No.3 white oats Minneapolis 14 to 14 1/2¢; Kansas City 16 to 16 1/2¢; Chicago 16 3/4 to 17¢; St. Louis 17 1/4¢; Special No.2 barley Minneapolis 26 to 27¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.13 1/2 to \$1.17 1/2.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$3.75 to \$7.25; cows, good, \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$4.50 to \$6.50; vealers, good and choice \$5.50 to \$7.25; feeder and stocker cattle, steers, good and choice \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.40 to \$3.50; 200-250 lbs. good and choice \$3.20 to \$3.50; 250-350 lbs. good and choice \$2.80 to \$3.25; slaughter pigs, 100-130 lbs., good and choice \$3 to \$3.40; slaughter sheep and lambs; lambs, good and choice (90 lbs. down) \$5.65 to \$6.25.

Maine sacked Green Mountain potatoes ranged 92¢-\$1.15 per 100-pounds in eastern cities. Wisconsin sacked Round Whites 67 1/2-72 1/2¢ carlot sales in Chicago; few 49¢-50¢ f.o.b. Waupaca. New York and Midwestern sacked yellow varieties of onions brought 30¢-60¢ per 50-pounds in consuming centers; 30¢-32¢ f.o.b.

\*Prices basis ordinary protein.

Rochester and 25¢ f.o.b. West Michigan points. New York Danish type cabbage \$10-\$13 bulk per ton in terminal markets; \$4.50-\$6 f.o.b. Rochester. Florida Pointed type 75¢-85¢ per 1½-bushel hampers in Philadelphia. Texas Round type \$1.25-\$1.40 per western lettuce crate in Chicago; 45¢-60¢ f.o.b. Lower Valley points. New York Rhode Island Greening apples, No.1, 2½ inches, 60¢-75¢ and McIntosh \$1-\$1.25 per bushel tub in New York City. Rhode Island Greenings 65¢-70¢ f.o.b. Rochester.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18½¢; 91 score, 18¼¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 12 to 13¢; Single Daisies, 11½ to 12¼¢; Young Americas, 12 to 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 23 to 23½¢; Standards, 22 to 22½¢; Rehandled Receipts, 21 to 21½¢.

Average price of Middling spot cotton in the ten designated markets advanced 9 points to 6.06¢ compared with average of eight markets January 19 (holiday in two). On the corresponding day one year ago the price stood at 6.23¢ average of ten markets. January future contracts on the New York Cotton Exchange advanced 4 points to 6.12¢, and on the New Orleans Cotton Exchange advanced 10 points to 6.16¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLVIII, No. 19

Section 1

January 24, 1933.

## "LAME-DUCK" AMENDMENT RATIFIED

The "lame-duck" amendment, which will prevent defeated members of Congress from making laws following their downfall, was formally ratified yesterday when Missouri became the thirty-sixth State to approve it, according to the press today. The report says: "This twentieth Amendment, written by Senator Norris, provides that Congress shall meet every year on January 3. The President will take office every four years on January 20. The term of President-elect Roosevelt will thus be cut short forty-three days, for he will take office this year under the old system, on March 4. The new amendment will take effect on October 15."

## CROP LOAN BILL

The press today says: "A compromise on the crop-production loan bill, passed in slightly different form by the House and Senate, was reached in speedy fashion yesterday by conferees. As agreed upon, it would make available \$90,000,000 of Reconstruction Finance Corporation funds for distribution through the Secretary of Agriculture in loans for the production and harvesting of the year's crop. The Senate originally voted the entire unexpended balance of the \$200,000,000 fund employed for the same purpose last year. This would total about \$103,000,000, but the House cut it to \$75,000,000 and in conference the \$90,000,000 figure was hit upon. The conferees also retained a House provision which would permit the Secretary of Agriculture to require a borrower to curtail his production up to 30 per cent, but would not force him to do so.

"Likewise retained was a Senate provision permitting funds to be lent for feed for livestock in drought and storm-stricken areas, but a \$1,000,000 limitation was placed upon the sum to be used for that purpose...."

## TECHNOCRACY GROUP PROB- LEMS

A New York dispatch today reports: "Columbia University closed its doors on technocracy yesterday and laid plans for an energy and technology survey directed by its own engineers. Four members of the technocracy group, headed by Prof. Walter Rautenstrauch, of the Columbia industrial engineering department, announced they were 'not in accord with some of the statements and attitudes' expressed by Howard Scott, the nominal leader, and therefore were 'withdrawing from association with technocracy'... 'Technocracy ceases to exist as far as we are concerned,' Rautenstrauch declared. 'Scott will not work here any longer,' he said, in reply to a question. He also disclosed that the one hundred or more unemployed engineers and architects, who have been working on technocracy's 'energy survey of North America,' while being paid from unemployment relief committee funds, will work in the future on the Columbia survey and not on any work Scott and the 'technocrats' may carry on. Rautenstrauch, who handed out typewritten copies of a formal statement, made it clear later that his action had had the approval of Columbia officials...."

## Section 2

Bank for  
Internat-  
ional  
Settle-  
ments

Leo Pasvolksy, writing from Basle on "The Increased Scope of the B.I.S.," in Barron's for January 23, says: "With the disappearance of its functions as a reparations agency, the Bank for International Settlements has definitely become, first and foremost, an institution for central-banking collaboration. It still retains, in small measure, its role as trustee for international loans, since it continues to act in this capacity with respect to the Dawes and the Young loans and the Austrian loan of 1930. The Lausanne agreement assigns to it a similar role in connection with the new German reparation bonds, if and when such bonds will be issued. Its trustee function may continue to grow in the future, because there are distinct and more and more widely recognized advantages in utilizing its facilities for this particular phase of international financing. But for the time being, this function is bound to remain extremely limited. On the other hand, the events of the past 18 months have opened the way for an extension of the bank's activities in the field of cooperation among national monetary and credit systems through central-banking collaboration....One of the outstanding anomalies of the present-day financial set-up of the world is the frequency with which national central banks and the national money markets they control work at cross purposes with other central banks and their markets. In the degree of financial inter-relation among nations in which the world finds itself today, the effects of a credit policy or action initiated in one country may, and, in fact, only too often do, become swiftly and tellingly transmitted to money markets in other countries, setting into motion chains of reactions which may be prejudicial to these other markets, and, in the long run, to the initial country itself....The administrators of the B.I.S. believe that their institution, having been set up and being now controlled by national central banks, is in a position to render valuable services along both of these lines...When you talk to these men at their Basle headquarters, you find them rather reluctant to map out any precise and definite course for the future of their institution. Some of them are fond of referring to the reply given by one of the original authors of the Bank for International Settlements scheme, when asked just what it is that the bank will do: 'Let the bank exist, and important work will be found for it.' Certainly in the field of central-bank collaboration there is plenty of such important work which most likely, sooner or later, will fall into the province of the Basle institution."

Einstein  
Plans  
"Best  
Minds"  
Group

A Los Angeles dispatch today states that a plan to organize a group of "the twenty-five greatest minds in the world" to "function in the best interests of mankind," was announced yesterday by Dr. Albert Einstein, the scientist, through Jacob Landau, managing director of the Jewish Telegraphic Agency, who is visiting in Los Angeles as Dr. Einstein's guest. Six members of this committee, Mr. Landau said, would be selected from the United States "by the strictest selective tests." Only those will be chosen who qualify by the following



three criteria: 1.--Must be intellectuals of the highest order.  
2.--Must be powerful personalities of international renown.  
3.--Must be known for their liberal views. "The committee will raise its voice whenever mankind is confronted with grave problems," Mr. Landau added. "It will take action whenever the peace of the world is jeopardized or if any acts of injustice have been committed." No definite choices have yet been made, Mr. Landau said.

**Greek Bread** An Athens dispatch January 22 says: "Obligatory purchase of Raisins chase of raisin bread, long deliberated by the Greek Government, went into effect as a law January 5. Housewives, caterers, restaurant keepers and all others who visit bakeries to buy white bread without raisins will be forced to pay for raisin bread in a proportion by weight of one to three, according to the law formulated by Jean Metaxas, Minister of the Interior, following conferences with members of the Department of National Economy and the director of the Central Bureau of the Raisin. White and raisin bread will cost the same...."

**Kent Plan** The New Republic for January 18 says: "President Charles A. Miller of the Reconstruction Finance Corporation has told the Senate committee on manufactures that the plan for relief of unemployment suggested by Mr. Fred I. Kent of the American Bankers' Association is the best that has been proposed. According to this plan, the banks of the country would discover from their industrial clients how many men and how much money would be needed to resume operations at the 1927 level. How much raw material would be required, and what would be the character of the production? The data would be coordinated by the Federal Reserve Banks and the R.F.C. If the latter approved, the banks would then be empowered to lend to industry the necessary money, and would be guaranteed by the R.F.C. against any loss arising from a failure of the borrowers to repay the loans out of the proceeds of their activity. This is an ingenious scheme, but it does not go far enough. It is obvious that we can not now reconstitute the situation of 1927. The character of demand has changed; prices and wages have changed; fixed obligations have changed. Nobody could tell whether industry would begin to hum if we started it again on the 1927 basis of output, but the chances are strong that it would not. Recovery waits for more than confidence and credit resources. No plan is really a good one which does not take into account many complex factors of the economic order. People persist in making the mistaken assumption that we can go back and do the same thing all over again in the same old way."

**Market-to-Farm Roads** An editorial in The Country Gentleman for February says: "A good deal has been said during the past two years about 'farm-to-market roads,' but it remained for S. S. Lewis, secretary of highways in Pennsylvania, to invert the well-worn phrase and give it new meaning. Speaking at a convention in New Orleans a few weeks ago, Mr. Lewis vigorously defended the Pennsylvania

highway department's recent venture in taking over for improvement and maintenance some 20,000 miles of township roads. 'These are not only farm-to-market roads,' he insisted. 'They are market-to-farm roads. They afford the alert business man an opportunity to reach a great host of new customers.' This transfer of mileage, involving about one-fourth of the local roads in Pennsylvania, occurred on August 15, 1931. Fifteen months later, on November 15, 1932, nearly 5,000 miles had been covered with various types of secondary surfacing, at an average cost of \$6,000 a mile. The remaining 15,000 miles had been widened, graded and adequately drained. All this work, of course, was paid for out of the gasoline and motor-vehicle taxes. Instead of being concentrated entirely on the main thoroughfares, the state highway fund was given a wider spread; and it goes without saying that a considerable load was thus lifted from the backs of the landowners. When Secretary Lewis spoke of market-to-farm roads, he gave expression to a trend of thought that is gaining many official converts throughout the country. If present signs are at all indicative, our 2,400,000 miles of local roads are going to receive considerably more attention and a more equitable share of the gasoline and vehicle tax funds during these next few years. This, manifestly, is the next logical step in America's program of highway development and financing--a step which now, rather suddenly, has been made inescapable by the general breakdown of the property tax."

Montana  
Wool  
Grower  
Loans

Paul Bestor, Commissioner of the Federal Farm Loan Board, told the Montana Wool Growers' Association meeting, at Great Falls, Montana, yesterday, how farmers and ranchmen are securing money from the Federal Intermediate Credit Banks, through local lending institutions, at not to exceed  $5\frac{1}{2}$  to  $6\frac{1}{2}$  per cent. He described how these banks have been increasing rapidly their service to ranchers and stockmen ever since the stock market crash of 1929. He stated that loans and discounts, including renewals, from January 1, 1930 to November 30, 1932 amounted to \$705,263,000, compared with \$413,555,000 for the previous three-year period. These amounts included advances to cooperative marketing associations, totaling \$342,786,000 for the three years of the depression period compared with \$148,198,000 for the previous three years. Much of this increase in loans to farmers through local lending institutions, he said, was made possible through the larger number of local lending institutions established during this period. Mr. Bestor pointed out that the regional agricultural credit corporations set up by the Reconstruction Finance Corporation should greatly increase the funds available to farmers for agricultural and livestock production purposes and that these big corporations, with 3 million dollars capital each, had loaned \$44,000,000 up to January 13, 1933 and a considerable volume of loans in addition had been approved. One of these corporations is already discounting with a Federal Intermediate Credit Bank. Referring to the extensions on installments on farm mortgage loans made by the 12 Federal Land Banks, Mr. Bestor said that up to November 30 these institutions had agreed to and were carrying 84,027 delinquent borrowers for a sum aggregating \$21,508,000. These were being carried from the earmarked fund of \$25,000,000 appropriated for this purpose by Congress.



Sugar in Mortar A Detroit U.P. dispatch January 18 says: "Dr. Gerald J. Cox, of the Mellon Institute of Industrial Research, speaking before the Sand-Lime Brick Association, explained that it was possible to build houses with mortar strengthened by sugar. 'The addition of sugar to lime mortar makes it 60 per cent stronger than ordinary mortar,' he said, 'with no loss in workability or decrease in its adhesion to brick.' The research expert said experiments with sugar-lime were in progress at Saginaw, Mich., where the trials have shown increases in both transverse and compressive strength."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 23.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$3.75 to \$7.25; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$4.50 to \$6.50; vealers, good and choice, \$5.50 to \$7; feeder and stocker cattle, steers, good and choice \$4.25 to \$5.50. Hogs: 160-200 lbs. good and choice \$3.40 to \$3.50; 200-250 lbs. good and choice \$3.20 to \$3.50; 250-350 lbs. good and choice \$2.85 to \$3.25; slaughter pigs, 100-130 lbs. good and choice \$3 to \$3.40. Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.75 to \$6.50.

Grain: No.1 dark northern spring wheat,\* Minneapolis 48¢ to 50¢; No.1 northern spring,\* Minneapolis 47¢ to 49¢; No.1 hard winter,\* Kansas City  $41\frac{1}{4}$ ¢ to  $42\frac{1}{2}$ ¢; No.2 hard winter,\* Kansas City  $41\frac{1}{4}$ ¢ to 42¢; St. Louis  $48\frac{1}{2}$ ¢ (Nom.); No.1 soft red winter, St. Louis 50¢ (Nom.); No.2 soft red winter, Kansas City  $41\frac{3}{4}$ ¢ to 47¢; St. Louis  $49\frac{1}{2}$ ¢; No.1 W. Wh. Portland  $41\frac{1}{2}$ ¢; No.2 amber durum,\* Minneapolis  $41\frac{1}{4}$ ¢ to  $44\frac{1}{4}$ ¢; No.1 durum, Duluth  $45\frac{1}{4}$ ¢ to  $47\frac{1}{4}$ ¢; No.2 rye, Minneapolis 30  $\frac{5}{8}$ ¢ to 32  $\frac{5}{8}$ ¢; No.2 mixed corn, Minneapolis  $18\frac{1}{2}$ ¢ to  $19\frac{1}{2}$ ¢; Kansas City  $22\frac{1}{4}$ ¢ to  $22\frac{3}{4}$ ¢; Chicago 24¢ (Nom.); St. Louis 23¢ to  $23\frac{1}{2}$ ¢ (Nom.); No.2 white, Kansas City  $22\frac{1}{2}$ ¢ to 23¢; St. Louis 24¢ (Nom.); No.2 yellow, Minneapolis  $22\frac{1}{2}$ ¢ to 23¢; Kansas City  $22\frac{1}{2}$ ¢ to 23¢; Chicago 25¢; St. Louis  $24\frac{3}{4}$ ¢; No.3 yellow, Minneapolis  $20\frac{1}{2}$ ¢ to 21¢; Kansas City 22¢ to  $22\frac{1}{2}$ ¢; Chicago  $23\frac{1}{4}$ ¢ to  $24\frac{1}{4}$ ¢; St. Louis  $23\frac{1}{4}$ ¢ to  $23\frac{3}{4}$ ¢; No.2 white oats, Minneapolis  $14\frac{1}{4}$ ¢ to 15¢; Kansas City 17¢ to  $17\frac{1}{2}$ ¢; Chicago  $16\frac{1}{2}$ ¢ to  $17\frac{3}{4}$ ¢; St. Louis  $17\frac{3}{4}$ ¢ (Nom.); No.3 white, Minneapolis  $13\frac{3}{4}$ ¢ to  $14\frac{1}{4}$ ¢; Kansas City 16¢ to  $16\frac{1}{2}$ ¢; Chicago  $16\frac{1}{4}$ ¢ to  $16\frac{3}{4}$ ¢; St. Louis  $17\frac{1}{4}$ ¢; Special No.2 barley, Minneapolis 26¢ to 27¢; Chicago 34¢ to 36¢; No. 1 flaxseed, Minneapolis \$1.11 $\frac{1}{4}$  to \$1.14 $\frac{1}{4}$ .

Maine Green Mountain potatoes jobbed at 92¢-\$1.15 sacked per 100 pounds in New York City; mostly 48¢ f.o.b. Presque Isle district. Wisconsin sacked Round Whites 70¢-75¢ per 100 pounds in Chicago carlot market; few f.o.b. sales at 50¢ around Waupaca, Wis. New York and midwestern yellow onions jobbing at 30¢-60¢ per 50-lb. sack in large terminal markets; 22¢-26¢ f.o.b. western Michigan points, with too few f.o.b. sales being made in

\*Prices basis ordinary protein.

western New York to establish price. New York Danish-type cabbage bringing \$10 per ton bulk or 35¢-55¢ per sack in Philadelphia; mostly \$5-\$5.75 f.o.b. Rochester district, with sacked stock at \$7-\$7.50 per ton. Florida pointed-type jobbing at 65¢-85¢ per 1½-bushel hamper in Philadelphia. Texas round-type \$1.25-\$1.60 per western lettuce crate in Chicago; 45¢-55¢ f.o.b. Rio Grande Valley points. New York 2½-inch minimum U.S. No.1 Rhode Island Greening apples bringing 65¢-70¢, Baldwins \$1.10 and McIntosh \$1.-\$1.25 per bushel tub in New York City; Rhode Island Greenings 65¢-70¢ and McIntosh 95¢ f.o.b. western New York shipping points.

Average price of Middling spot cotton in the ten designated markets advanced 2 points to 6.02¢ per lb. On the corresponding day one year ago the price stood at 6.27¢. January future contracts on the New York Cotton Exchange advanced 3 points to 6.13¢, and on the New Orleans Cotton Exchange advanced 8 points to 6.12¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¼ to 18½¢; 91 score, 18¼¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 11¼ to 13¢; Single Daisies, 11 to 11½¢; Young Americas, 11¼ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17 to 17¼¢; Standards, 16½ to 16¾¢; Rehandled Receipts, 15½ to 16¢. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVIII, No. 20

Section 1

January 25, 1933.

## THE PRESIDENT VETOES DEFICIENCY BILL

President Hoover yesterday vetoed the \$31,000,000 deficiency bill, and within an hour the House had sustained the veto. The vote was 193 to 158, falling short of the two-thirds majority necessary to override the veto. The President based his veto on what he pronounced the "unconstitutionality" of provisions for the "legislative determination of individual tax returns." (Press, Jan. 25.)

## CROP LOAN MEASURE TO PRESIDENT

Stamped with the final approval of House and Senate, a bill carrying \$90,000,000 in Federal credit for the farmer was dispatched last night to the White House, for the President's signature, according to the press today. The report says: "Hailed by its friends as providing the only adequate source of credit for thousands of farmers, the bill would authorize the Secretary of Agriculture to lend a total of \$90,000,000 for use in producing 1933 crops. As security, the Government would take a first lien on the crop. A similar measure was passed last year and the new bill simply reappropriates for 1933 a part of the same funds made available originally out of the Reconstruction Corporation treasury...."

## CURRENCY LEGISLATION

After spending eight hours in the most extensive discussion of currency inflation that has occurred in Congress in many years, the Senate yesterday by a vote of 56 to 18 tabled all proposals for the free coinage of silver, says the press today. Immediately after the vote on silver the Senate proceeded to a consideration of pending amendments to the Glass banking reform bill. Progress was made on the measure, with the prospects regarded as good for a final vote before adjournment tonight.

## FOREIGN DEBT PLANS

The press today reports from London: "The underlying policy of the British Government in its prospective war-debt negotiations at Washington was indicated last night by Neville Chamberlain, Chancellor of the Exchequer, speaking at a dinner of the Leeds Chamber of Commerce. The essential points of this policy are: First, that whatever settlement is reached must be final, and, secondly, that it must be for a sum so small that it will not necessitate the resumption of the claim on Germany for reparations beyond the nominal sum tentatively fixed by the Lausanne agreement of last July. In other words, Britain is going to adhere to the principle of the Balfour note, which not only means she will not demand more from her debtors than she has to pay to the United States but also that she will not pay to the United States more than she can collect from Germany and other European debtors...."

## Section 2

Barter Movement in South      An A.P. dispatch January 24 from Atlanta says: "The South is seeing a revival of barter reminiscent of the last century, but it still remains largely unorganized. Country merchants are doing an increasing business on the basis of a gallon of 'coal oil' for a dozen eggs, or a set of harness for a bale of cotton, but the organized barter exchanges which have sprung up in other sections have been slow to make their appearance in Southern States. At Richmond, Va., however, the Citizens' Service Exchange has been established through the efforts of social agencies of the city. A warehouse has been prepared to receive goods to be bartered for work, with scrip issued by the organization as a basis for the exchange. This experiment is the only one of its kind in Virginia, and has not been in operation long enough to determine what its success or its economic effects will be.

"Several Southern States have pioneered in the development of barter through correspondence, by publishing bulletins listing 'wants' and offers of exchange, with 'swappers' arranging their trades individually. Such an exchange bulletin is published bimonthly by the Alabama Department of Agriculture and goes to 14,000 farmers and business men. Each edition carries an average of 425 notices, offering everything from hound dogs to grand pianos. State officials say 55 per cent of the items offered are exchanged. A weekly newspaper in Geneva County, Ala., has announced it will start a free exchange column for its subscribers....Georgia's State division of markets has a similar plan, carrying products offered for exchange in a weekly bulletin.... Louisiana has no barter exchanges but some merchants, doctors and colleges accept farm products in lieu of cash. Louisiana State University took cotton and cattle for students' tuition, as did other colleges in the South. Some country doctors have taken pigs, chickens and other products for their fees. Mississippi, Arkansas, Tennessee and the Carolinas report no organized barter exchanges, although curb markets are operated throughout these States with cash as the medium of exchange...."

Business Situation      The Business Week for January 25 says: "Government construction makes building statistics look good. Carlodgings show a modest rebound; so does electric power production. Miscellaneous orders help steel production....These factors cause our index to rise. But not too much importance should be pinned to this; every statistician knows adjustments of many kinds make early January figures notoriously treacherous....News of the week was rather encouraging than otherwise....Liberalization of the R.E.C. policy, individual tariff negotiations on bases of mutual concessions, an effort to refund farm mortgages....seem probabilities early in the new administration. Also sensible legislation to facilitate debt adjustments by majority agreement without the horrors of bankruptcy....Commercial failures show a better trend, and chart dopesters read great significance into that....All this is well enough, but underneath everything is the dull rumble of consumer purchasing power gradually sliding



out from beneath the foundations of the business structure. Cracks in the plaster show the strain--as this week in the oil industry, the retail dry goods stores, and the cigar business... Britain on the whole feels better, with the pound stronger and important industries busier. Germany likewise makes progress but begins to worry again about Herr Hitler, the Big Noise. France is suffering from budget jitters. Frightened francs flee the country. Japan still makes war, while a tired and sick world has to bide its time for effective protest and speculators cynically buy stock in powder factories."

Debt Conference      The press today says: "Preparations for the Anglo-American debt conference at Washington in March proceeded actively yesterday on both sides of the Atlantic. Out of all the consultations that marked the debt developments of the last 24 hours, the following salient principles emerged: First, that the forthcoming debt discussions will veer away from the 'capacity to pay' principle, which has heretofore been the touchstone of the deliberations: Second, that the debt discussions will now be predicated upon a 'quid pro quo' principle, which will take into consideration the various economic advantages deemed necessary for the general economic improvement of the world. Third, the President-elect through his assistants, Profs. Raymond T. Moley and R. C. Tugwell, will keep in touch with the Department of State until such time as the President-elect has announced his own Secretary of State, who will then work in with the negotiations of Secretary Stimson...."

Rautenstrauch      John C. Creswell, writing under the title "Ruin by Theory      Efficiency?" in The Magazine of Wall Street for January 21, says: "...Here is the law, if not the prophets, as laid down by Walter Rautenstrauch, professor of industrial engineering at Columbia University, acting as apostle for the Messiah of Technocracy: 'The quantity time factor of investment to produce a unit of product tends toward a minimum. If a unit is made by hand labor at a daily wage of \$5, and it requires three days to complete a unit of product the quantity-time factor of investment (disregarding other items) is \$15. If now the work is done by the energy supplied through a machine, and the cost to possess and operate the machine is \$10 a day, but the time required to produce a unit of product is one-half day, then the quantity time factor of investment to produce a unit of product is \$5. Accordingly, under the operation of this law the substitution of kilowatt hours (energy hours) for man hours is inevitable.' Which is to say that if the machine finally eliminates all workers there will be no man-hours, no work--and nobody earning anything to exchange for the products of the machine. The world will be full of desirable things and yet about to be emptied by death, from starvation and cold, of the people who can't buy them, because how can one get paid for work in a workless world? Well, then, says the Technocrat, you won't let that happen, so you'll have to reckon their compensation by a

kilowatt instead of personal time. Some of the more sanguine Technocrats think this depression has about finished the price system. They have put the day of doom as about 18 months ahead. Others think it may stagger through another business cycle before it lies down and dies...."

Soybean  
Values

J. Sydney Cates writes at length under the title "Soybeans Go Domestic" in The Country Gentleman for February. He says: "We were just about three hundred years slow in realizing what a wonderful plant--the soybean--the ancient Chinese civilization had there waiting to find a place in the yet-to-be-made development of agriculture on this continent. And we let still another generation go by without getting the cardinal lesson from these Oriental people who have been working with the crop for over four thousand years of recorded history--and perhaps five thousand years before written history began. This lesson--and we would not learn it from the Orientals themselves--is that the soybean is one of the relatively few vegetable sources of perfect protein. We have learned it through the efforts of research scientists in this country. But the Chinese knew this empirically--knew it from cut-and-try results--ages before the word protein had ever been invented....But the Chinaman, getting his protein from soybeans, found his diet perfectly satisfactory. He uses these beans in literally hundreds of ways in making tasteful food products, and so has variety of dishes, although they all trace back to this magic bean. And now our scientists come along and make the discovery that the soybean is one of the few available seeds of plants to contain perfect protein....This protein discovery ties in with the new human food soybean introduction in a most dramatic fashion just at this time, because the soybean is one of the few sources of vegetable protein having a plenteous amount of each of these four essential amino acids... Here is the list: lysine, cystine, histidine and tryptophane. The soybean contains them all!..."

World  
Economic  
Confer-  
ence

An editorial in The Wall St. Journal for January 21 says: "Two aspects of the work done by the Preparatory Commission of the World Economic Conference will compel the earnest attention of a desperate world. The more important of these is the courage the commission has shown in speaking out on war debts. Although it was prevented by orders of the governments which created it from including the debts in its formal agenda for the conference, it has unhesitatingly declared that 'Until there is such a settlement (of the war debts) or the definite prospect of such a settlement, these debts will remain an insuperable barrier to economic and financial reconstruction.' After that declaration it will be well-nigh impossible for the conference itself to avoid the subject, if the delegates thereto wish to make it anything better than a complete fiasco. The only alternative is that debts be disposed of before the conference begins its work. The conference must either be authorized to take up war debts or its sitting must be postponed until the United States has come to terms with its debtors....One other utterance of the



preparatory commission should be specially noted. It decries 'piecemeal measures' and emphasizes the necessity of 'a broad solution by concerted action along the whole front.' A thorough-going treatment of all the world's ills is devoutly to be wished, no doubt, but 'All or nothing' is not the invocation with which to open a conference of this sort....A conference on what the commission so rightly calls 'economic disarmament' should be more than willing to do what can be done, even if that be less for the moment than what should be done. The conference itself, of course, is still many weary months away. But there is reason to hope that its work is already begun."

### Section 3 MARKET QUOTATIONS

#### Farm Products

Jan. 24.--Grain: No.1 dark northern spring\* Minneapolis 48 3/8 to 50 3/8¢; No.1 hard winter\* Kansas City 42 1/2 to 43 1/4¢; No.2 hard winter\* Kansas City 42 to 42 3/4¢; Chicago 48 1/2¢; St. Louis 49 to 49 1/2¢ (Nom.); No.1 S.R. Winter St. Louis 51¢ (Nom.); No.2 S.R. Winter Kansas City 42 1/2 to 47 3/4¢; St. Louis 50 to 50 1/2¢ (Nom.); No.1 W. Wh. Portland 42¢; No.2 Am. Dur.\* Minneapolis 41 1/2 to 44 1/2¢; No.1 Durum (Duluth) 45 1/2 to 47 1/2¢; No.2 rye Minneapolis 31 to 33¢; No.2 mixed corn Minneapolis 20 to 21¢; Kansas City 22 3/4 to 23 1/4¢; Chicago 25 1/4¢ (Nom.); St. Louis 25¢; No.2 white corn Kansas City 23 to 23 1/2¢; No.2 yellow corn Minneapolis 23 to 23 1/2¢; Kansas City 23 to 23 1/2¢; Chicago 25 1/2¢; St. Louis 25 to 25 1/2¢; No.3 yellow corn Minneapolis 21 to 21 1/2¢; Kansas City 22 1/2 to 23¢; Chicago 23 3/4 to 24 1/2¢; St. Louis 23 3/4 to 24 1/4¢; No.2 white oats Minneapolis 14 3/8 to 15 1/8¢; Kansas City 17 1/2 to 18¢ (Nom.); St. Louis 17 1/2 to 17 3/4¢; No.3 white oats Minneapolis 13 7/8 to 14 3/8¢; Kansas City 17 1/2¢; Chicago 16 1/2 to 16 3/4¢; St. Louis 17 to 17 1/4¢; Special No.2 barley Minneapolis 27 to 28¢; Chicago 34 to 36¢; No.1 flaxseed Minneapolis \$1.11 to \$1.14.

Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (900-1300 lbs.) good and choice \$4.25 to \$7.25; cows, good \$2.50 to \$3.25; heifers (550-750 lbs.) good and choice \$4.75 to \$6.50; vealers, good and choice \$6 to \$7.50; feeder and stocker steers, (500-1050 lbs.) good and choice \$4.25 to \$5.50; hogs, 160-200 lbs. good and choice \$3.35 to \$3.50; 200-250 lbs. good and choice \$3.20 to \$3.45; 250-350 lbs. good and choice \$2.85 to \$3.25; slaughter pigs, 100-130 lbs., good and choice \$3 to \$3.35. Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.85 to \$6.65.

Maine sacked Green Mountain potatoes jobbing at 92¢- \$1.35 per 100 pounds in eastern cities; mostly 48¢ f.o.b. shipping points. Wisconsin sacked Round Whites steady in Chicago

\*Prices basis ordinary protein.

carlot market at 70¢-75¢ per 100 pounds; 50¢ f.o.b. Waupaca district. Texas sacked Bliss Triumphs mostly \$1-\$1.75 per 50-pound bag in a few terminal markets. New York and midwestern yellow onions bringing 25¢-65¢ per 50-pound sack in consuming centers; mostly 30¢ f.o.b. western New York points and 25¢ f.o.b. western Michigan points. New York Danish-type cabbage \$12-\$13 bulk per ton in New York City, or 40¢-55¢ per sack, with f.o.b. sales in western New York at \$5-\$6 bulk or \$6.50-\$7.50 sacked per ton. Florida pointed-type mostly 75¢-\$1 per 1½-bushel hamper in New York City. Texas round-type mostly \$1.25 per western lettuce crate in Chicago; 40¢-55¢ f.o.b. Rio Grande Valley points. New York 2½-inch minimum U.S. No. 1 Rhode Island Greenings apples 65¢-75¢, and McIntosh \$1-\$1.25 per bushel tub in New York City; Greenings 65¢-70¢ and McIntosh 95¢ f.o.b. New York shipping points.

Average price of Middling spot cotton in the ten designated markets advanced 2 points to 6.04¢ per lb. On the corresponding day one year ago the price stood at 6.25¢. March future contracts on the New York Cotton Exchange advanced 1 point to 6.16¢, and on the New Orleans Cotton Exchange remained unchanged at 6.15¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17½¢; 91 score, 17¼¢; 90 score, 17¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 11¼ to 13¢; Single Daisies, 11 to 11½¢; Young Americas, 11½ to 12¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16½ to 17¢; Standards, 15½ to 16¢; Rehandled Receipts, 14½ to 15¢. (Prepared by Bu. of Agr. Econ.)